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DEMANDS OF LABOR AND PROBLEMS OF CAPITAL ARE BETTER UNDERSTOOD AS RESULT OF INDUSTRIAL CONFERENCE

Workers Had the Eloquence and Employers the Facts

LITTLE INTOLERANCE

Employees, However, Show Slight Willingness to Concede Anything Despite Force of Arguments

By Resident Representative.

OTTAWA.—It was the intention of the Government, in order that there might be no appearance of capital and labor being drawn up on opposite sides with the suggestion that they were in hostile array, that the delegates to the National Industrial Conference should take their seats in chance fashion; but the sheep and the goats automatically sorted themselves, the representatives of capital occupying the seats on the left of the chairman, Hon. Senator Gideon Robertson, while labor faced them on his right. Down the middle of the Senate Chamber were grouped the representatives of the Governments. Such of the common people as could get room hung about the door of the chamber, though there were few of these.

The daily proceedings of the conference have been so fully reported that it is not the intention here to do more than mention a few of the interesting features and side-lights. How much, if anything material the conference may accomplish will not be known immediately. Broadly speaking, the expectations of the different parties to it might be summed up sufficiently well by an examination of three or four of the principal speeches delivered. As Hon. W. L. Mackenzie King very ably pointed out in the able speech he delivered on the opening day of the convention, the parties to industry and its problems are not the two, capital and labor, most commonly mentioned; they are four: Capital, labor, management, and the community. And of these, the community is the most important and the most interested, in that it embraces the other three as well as the people in general.

Efficiency and Production

What the community hopes to get out of this conference was well summed up by Sir Robert Borden in the message read to those present on the opening day: "During the past five years," he said, "the world has wasted more than it saved in half a century. That waste must be made up by increased production, and this cannot be accomplished during shorter working hours unless there is increased efficiency resulting in increased output. The relation of the output to the fixed or overhead charges directly and materially affects the cost." The community says, in effect: "'A plague on both your houses!' Reduce the H. C. L.!"

This is not to say, however, that the community is not sympathetic to the position of both capital and labor. It is probably in a better position to deliver sane judgment on the case of each of them than is either one to judge the other. It cannot fail to recognize the fact that both capital and labor are selfish; and, left to the exercise of their own will, likely to be tyrannical.

While the two main parties to the conference came together with as much diplomatic courtesy as could be expected, and while the proceedings and debate suffered nothing from comparison in this or any other respect with any debate in the House of Commons, it would be only camouflage to say that capital and labor were not very far apart on their conception of what was rightfully due to each. Self-interest rather than pure reason has dominated the councils of both for so long that it is vain to expect that now or, probably, for a long time to come shall we find either being distinguished by a spirit of "sweet reasonableness," or see self-interest give way to self-sacrifice. On the first day of the convention, if we could have read the mind of those who looked across at each other, we might have found distrust, resentment, and the sense of being subjected to tyranny. It was plain that each expected more from the party in the middle than from the party opposite.

The Two Attitudes

The attitude of Labor at the convention was one of aggressiveness.

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Labor Delegates Were Better Organized at the Opening

CAPITAL GETS LESSON

Employers Realize Necessity of Having a Closer Union For the Good of Their Own Interests

By an Industrial Correspondent

OTTAWA.—At the opening of the Industrial Conference the labor delegates, chosen exclusively by one body, the Trades and Labor Congress, had more homogeneity to begin with than the employers, who had been chosen by a considerable number of independent associations. From the opening of the conference, Tom Moore, president of the Trades and Labor Congress, with R. A. Rigg, Winnipeg organizer, and a small group including J. A. McClelland of Montreal and Miss Helena Gutteridge of Vancouver, assumed full control for the Labor side. At the beginning, the employers' forces were not so well co-ordinated, but by Tuesday morning J. R. Shaw of Woodstock was in charge, with a number of lieutenants, including Melville P. White, S. R. Parsons, and C. H. Carlisle of Toronto, and F. P. Jones of Montreal.

The experience of the employers has led a number of them to believe still more firmly that there should be a closer union among themselves, like the Federation of British Industries in Great Britain. In dealing as a single group, as was necessary in the conference, the lack of automatic machinery for co-operation was noticeable.

As a matter of fact, the unity of Labor, real as it has been during the conference, is not so great in the country. Although the Trades and Labor Congress, with its international affiliations, is the most powerful body of Labor opinion, it has its rivals, including especially the new One Big Union forces in the West, and the National (Catholic) Union in Quebec. Neither of these organizations were represented at the conference.

Definite Results Uncertain

Before the conclusions of the meetings, it is impossible to predict results. On the floor, the viewpoints of the employers and the employees on such subjects as the eight-hour day minimum wage for men, and collective bargaining, were in many cases far apart, but this was also true in the case of the proposed co-ordination and unification of labor laws. When that subject went to the small committee, differences were ironed out, and a unanimous recommendation emerged, asking for the appointment of a Board, composed of representatives of the Federal and Provincial Governments, Capital and Labor, to take up the task of codifying labor laws, Dominion and Provincial.

It is quite possible that the smaller committees, dealing with the other subjects of more controversial nature, may also evolve some form of agreement acceptable to both sides, or it may be that this whole conference will have to be regarded merely as a preliminary try-out, to be followed by another effort at a later date, when there has been more time to consider the multiplicity of questions raised this week.

In Great Britain the Industrial Conference was followed by a smaller joint committee, which reported several months later to a reconvened conference. There is some talk of a similar procedure here.

Both Sides in the Open

The Industrial Conference has given the Labor representatives an excellent forum in which to present again, in concentrated form, the active propaganda they have been carrying on for months. The opportunity has been used to the full, and their speakers, who are simply immersed in the subject, have shown decided ability.

Whereas in the recent past the employers' case has not been having an adequate presentation, this handicap has been largely removed this week. Whatever judgment the general pub-

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AMES-HOLDEN RUMORS

Street Hears That McGibbon Has Big Offer at Par

MONTREAL.—There was an interesting rumor flying around among the brokers towards the close of this week in explanation of the rise in Ames common stock. This was that D. Lorne McGibbon, and other associates in the company had received an offer of par ($100) for each share of the company that they were able to deliver. Thus Mr. McGibbon et al were in the market gunning for stock. The rich point about the story was that it is fairly obvious if the former president of Ames really was after some thousands of shares that he intended to dispose of afterwards at par, he would hardly announce his intention in the open.

U.S. STEEL STRIKE MIGHT INCREASE ACTIVITY HERE

Canadian Trade Absorbs Large Amount of States Products

Market Outlook—A Better Demand For Structurals

By A. R. KENNEDY, Editor "Canadian Machinery."

The Toronto offices of the United States Steel Corporation have no information concerning the threatened strike, nor have they been advised to be less certain in regard to delivery dates on business that they are booking. To all intents and purposes things are going along as though there were no strike threat.

On the other hand the strike order stands for Monday, the 22nd, unless something very unusual happens to cause the order to be rescinded in the meantime. So there we have the very unusual picture of the Steel Corporation taking an attitude of business as usual, with nothing extraordinary on the horizon, while on the other hand the strike leaders claim they are ready to call out the men within a day or so to make a fight for recognition of the Union, the eight-hour day and certain other claims.

The Effect on Canada

Were the strike to take place, and the rolling capacity of the mills to be seriously interfered with, it might not be good business for this country. Canadian industries using large quantities of plate and tubes, for instance, depend almost entirely for their supplies on U. S. mills. Plates cannot be stocked in large quantities because they differ largely on different jobs, and the specifications are largely sent along to the importers for each separate piece of work. There are shops in several of the industrial centres of Canada just now that have work on hand that should carry them well through the winter months, and it would be regrettable were they to be handicapped now by a poor response in the markets from which they draw their raw material.

Dealers also report that there is a much better request now for structurals, in fact some of the orders going through are for several hundred tons, much larger than those that have been placed in past months.

Canadian trade is well supplied in regard to bars, sheets, shapes, etc., in fact there are mills that would welcome additional bookings in these lines. Were United States production seriously interfered with, it might mean that Canadian steel mills would have a season with more orders than they could handle.

The Tendency of Prices

It has frequently been stated in these articles that plate was the one weak spot in the steel market, and happenings of recent date have proven this to be the case. A New York despatch this week states:

"A rather definite break has taken place in plates. Some of the larger mills have evidently decided not to leave all the more attractive inquiries to mills which have been taking domestic as well as export business at 2.50c., Pittsburgh, and while 2.65c. is still the quotation with leading makers, large offerings may be covered with no great difficulty at the lower figure."

ARE REPUDIATION OR ANNEXATION TO BE CONSIDERED?

Only Other Alternative to Shoulder Our National Burdens

ECONOMIC PROBLEMS

Hon. Sydney Fisher Presents Some Straightforward Views as to Necessity For Thrift and Production

By Resident Representative.

OTTAWA.—It is an encouraging sign that Canada is slowly beginning to wake up to the seriousness of its financial position, just as the people of Great Britain are doing; and in both countries leaders of public opinion are sounding a warning. Before an assembly of young business men in Ottawa the other day, Hon. Sydney Fisher delivered a very striking speech in which he outlined Canada's financial position, and the necessity of preparing to face it. We owe very many millions of dollars; and there are three ways out of our difficulties, all of which are sometimes suggested. The first two are repudiation or annexation to the United States; neither of which can be considered. The other and more manly way is "to rely on ourselves and do in peace as well as our boys had done in war."

The interest on our national debt is now $115,000,000 yearly; our pensions bill is from 35 to 40 million dollars yearly. We have fixed charges, therefore, of one hundred and fifty million dollars a year. It is estimated this year that the whole revenue in sight is 280 millions. Deducting the fixed charges, our administrators have 130 millions to rely on for all ordinary and extraordinary expenditure.

Hon. Mr. Fisher asked: How would a business man go about solving this problem? Not much can be relied on from indemnity, as all we are likely to get is a little for reparation of damages.

There will be a total expenditure this year of 620 millions, including ordinary expenditure, demobilization and capital expenditure; and there are only 280 millions to meet this. Therefore, we have to borrow 340 millions, and the people of Canada have to pay this. It is economics, not politics, we must work with to-day.

Problems of Revenue

The whole question of the methods of raising income is something Canadian business men must concern themselves with. Up to the time of the war, Canada raised its revenue on consumption, not on property or income. It was not until the second year of the war that we adopted an income tax. In Great Britain before the war half the revenue was raised from income and half from consumption. Before the war she raised 48% of her taxation on income and 52% on consumption. She now gets 81% from property and income and 19% from consumption. The world knows what Great Britain accomplished on this basis of taxation. Mr. Fisher maintains that taxation on property and income and not on business is the true way to finance. In the United States they used to raise 83% of their revenue from consumption and 17% from property and income. They entered the war with all that it entailed in the way of financing, and in 1918 the United States was raising 80% from property and income, and 20% from consumption.

In Canada we have been very slow to follow those good examples. Before the war we raised one hundred per cent. of our revenue from consumption. In the third year of the war we were still getting 90% of it in the same manner. In 1916-17 we got 8% on property and income and 92% on consumption; and in 1917-18, eleven per cent. on property and income, and 89% on consumption.

Taxation of Wealth

We see, therefore, that the two richest countries in the world have found it necessary to change their fiscal system and to adopt a system imposing four-fifths of its taxation on property and income; while in Canada we have nearly nine-tenths from consumption. This year this will be

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BUILDING IN AUGUST

Gain in the East is $2,709,580, and in the West $1,125,078

Building permits for the month of August show gains of over 100 per cent. as compared with same month in 1918. The total for the month for thirty-five cities is $7,248,933 as compared with $3,324,275 for August a year ago. The increase is $3,924,058. In the East the total for twenty-three cities reporting is $5,011,712, a gain of $2,709,580, while in the West the total for twelve cities at $2,237,221 shows an increase of $1,125,078.

For the eight months ending with August the total for the thirty-five cities was $30,746,288, an increase over the corresponding eight months in 1918 of $8,677,913. Details will be given next week.

SENSATIONS AT THE ANNUAL OF U. CIGAR STORES

Charges, Counter Charges Involving "Former Officials"

Resolution For Investigation Voted Down on Share Basis

Something in the nature of a sensation with latent indications of eventually proving a tempest in a teapot was sprung upon the annual meeting of the shareholders of the United Cigar Stores Ltd. this week, when a number of charges were made against "certain former officials" by P. Tilston, a shareholder who was formerly secretary of the company. The charges were contained in a written statement to the chairman of the meeting but were read by Mr. Tilston.

The charges included allegations "of concealing from the shareholders certain secret profits," of receiving "certain moneys or commissions upon the purchase of the company, which have not been paid into the company," "of abstracting from the safe of your company certain bonds or other securities without making payment for the same in its true amount," "of raising or altering a certain cheque," "of receiving profits that properly belong to your company," etc. Further, it was alleged that "a large amount of stock, both preferred and common, outstanding is without value."

On the strength of these allegations the following resolution was submitted:

WHEREAS certain serious charges have been made in a certain letter just read.

THEREFORE BE IT RESOLVED that a special committee of the shareholders be, and they are hereby appointed, from the shareholders, for the purpose of employing counsel and making investigation of the books, papers and documents of this company and its associates, for the purpose of determining whether or not good and sufficient means exist for the instituting of an action against certain former officials, agents and brokers as employed in the letter above referred to, and

BE IT FURTHER RESOLVED that this committee or any shareholders be, and they are hereby empowered, directed and authorized, to all upon the officials of the company for the examination of all papers, books and documents in their possession and to have the right to make extracts from the same and that pending the institution of any action as a result of any evidence discovered that any shareholder may have the right to present all such evidence so obtained, together with whatever evidence he may possess, to the Attorney-General of the Province of Ontario, with a request that he take such action in the premises and against the officials of the company as the evidence may warrant him in so doing.

AND BE IT FURTHER RESOLVED that the directors and officers of the company be, and they hereby are, instructed and directed to assist in every way possible, the shareholders so selected from this meeting, to obtain the information above sought and that the committee so to be appointed shall be selected from among the shareholders present by the shareholders present and that the minority shareholders present shall have the right to name and appoint at least one member of the committee.

Counter Charges Referred To

There was some discussion of the charges made before taking the vote which resulted in the defeat of the resolution. Had it been left to the majority of those present to vote as individuals only, however, the indications were that it would have been carried if only for the purpose of getting the air cleared. President W. B. Reid replied specifically to several

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GREAT ACTIVITY IN A NUMBER OF THE FAVORITES

Stock Market Broadens — Montreal Buying a Feature

THE VICTORY LOAN

Price For Forthcoming Issue Predicted at Par and Interest, or 99.80 Net—Labor a Factor in Wall Street

The week has seen a continuance of the broadening interest in the Canadian stock markets which began to make itself apparent coincident with the closing of the bond market for the Victory Loan campaign. There has been no definite trend to the movement which seems to have been largely the result of speculative buying in Montreal and up and down the list there have been evidence of spirited interest, which, in the majority of cases has been accompanied by substantial gains. In a number of cases the advances have been of a character which have been hard to explain by the technical position of the companies involved and the reports which have appeared on the street are probably as much for the purpose of supplying the lack of information as anything else. In a number of cases, for instance, where there are arrears of preferred dividends to be met, the price of the common has been raised to a level, which is hard to understand. If the preferred dividends are to be wiped out, the preferred price should go higher; if they are not, then the price for the common is away out of line.

While the bond market is pretty tightly closed so far as new issues are concerned and a number of municipalities will have to consider local sales or depend upon the banks, current dealing has not been so closely restricted as in previous Victory loan campaigns. However, until after the big effort is over bond trading will be of a very desultory character with values on an uncertain basis subject to readjustment as the reception of the Government issue may dictate. The price of the Government loan is not yet announced, but THE FINANCIAL POST understands that it will be at par with interest as from the 1st of November, making a net

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ARBITRATION OUTCOME G.T.R. NEGOTIATIONS

Both Factions Holding Ground in Conferences at Ottawa

SHAREHOLDERS' CASE

There Are Strong Arguments For Fair Treatment on Their Behalf—Some Points of Road's History

By Resident Representative.

OTTAWA.—Sir Alfred Smithers, Mr. Howard Kelley, and others of the Grand Trunk embassy at Ottawa are still here waiting to hear the fate of their shareholders. The report current at the end of last week that a settlement had been arrived at between the Government and the company to submit to arbitration the financial differences between them, cannot be confirmed. The company appears not unwilling to arbitrate, because arbitration would, presumably, give them something more advantageous than the present offer of the Government for a 999 year lease on a rental basis of $3,600,000 a year; but it is by no means certain that the Government will agree to any arbitration which involves the payment of more than that sum. The attitude of those members of the Government who will discuss the question is that the country cannot afford to make any further concessions.

Tactically, the position of both parties is not without strong points. The Government would seem to have the stronger legal position in having the guarantee of the Grand Trunk company in regard to the Grand Trunk Pacific, although some doubt has been cast upon its strength legally through the claim of the Grand Trunk company that the Government has not carried out to the full its undertakings under the agreement. But there is no doubt that the Government would not care to have its rights pushed to their ultimate conclusion, with the resultant bad effect on English capital which is now or soon will be seeking investment in large amounts, and seems to be inclined to look to South Africa, Abyssinia, Brazil and other competing fields. It may be taken for granted that neither side to the controversy would relish going to law to define their rights.

It is a fact which Canadians should not overlook that the side of the Grand Trunk company has not been so completely and continuously presented to the people of Canada as that of the Government. Negotiations being in progress, the officials of the Grand Trunk, with characteristic English reserve, have refrained from presenting their side of the case to the public.

The Company's Case

The big project involved in the construction of this transcontinental line centred in the mind of the late Mr. Hays, so far as the company was concerned. What was originally in his mind was to build the Grand Trunk Pacific from North Bay to the Pacific coast; which was, in the view of the present officials of the company, not an unattractive proposition. It was only under strong political pressure from Ottawa that it was decided to extend the line to Quebec and finally to Moncton.

The company makes a strong point of this; that after the Acts authorizing the building of the National Transcontinental and Grand Trunk Pacific were passed in 1903 and 1904, such encouragement and assistance were given to the company's competitors, the Canadian Pacific and the Canadian Northern, that they were enabled to build competing lines and construct branches right into the territory where they became strong competitors of the Grand Trunk Pacific.

The contention of the Grand Trunk company, and one which it is now pressing on the Government, is that it should be treated with the same consideration shown the Canadian Northern, which, notwithstanding the fact that there was practically a partnership existing between the Government and the Grand Trunk, was subsidized to build hundreds of miles of competing lines, which made the case of the latter company difficult if not hopeless, so far as the Grand Trunk Pacific was concerned.

Grand Trunk History

The Grand Trunk, it is contended, has never received a tithe of the assistance granted to the other lines in Canada. Built nearly seventy years ago, when railway construction in Canada was very much of a speculative and uncertain proposition, and enlisting entirely the support and confidence of the English investor, it received in all that time from the Canadian Government only $15,000,000, which was used at the request of the Government to build to Portland so as to provide Montreal with a winter port.

The point at issue between the company and the Government is now largely one of the amount of rental to be paid. In view of the earnings of the road in recent years, the company claims that the offer of $3,600,000 a year is far too low, and claim a sum of nearly $6,000,000 a year. The arbitration (and it may come to that eventually) would be mainly on that point. Sir Alfred Smithers emphasizes the remarkable increase in traffic on the Grand Trunk in the past few years, which has been far and away beyond anything that the road was thought capable of, and offers even greater possibilities for the future. In 1917 the increase was over $5,000,000 and in 1918 an increase over 1917 of $13,500,000. The prospects for the current year are even greater. Under such circumstances and prospects the company feel that they have something of material strength with which to negotiate.

Negotiations Still On

Sir Robert Borden, in his speech in the House on this matter this spring, emphasized the need which Canada would have for many years to come to borrow foreign capital, and the desirability of so acting that no charge of injustice towards investors could be made against us. Sir Alfred Smithers seems to have a very strong conviction of the necessity of guarding the interests of the investors in his company's securities to the utmost and places great reliance on the fairmindedness and responsibility of the ...er, who, owing to his illness, has been absent from recent negotiations. It seems fair to assume that the Government will either increase its present offer, or that the matter will be submitted to arbitration; but no decision on that point has yet been reached.—T.M.F.

BRITISHERS URGED TO USE GERMAN GOODS

Argument That They Can be Made a Factor in Righting Trade Situation

LONDON.—The British Association of Chambers of Commerce are circulating a memorandum urging the policy of making the fullest use of German manufacturers for the purpose of maintaining our own export trade, either by way of using German goods ourselves or by re-exporting the German goods imported expressly for the purpose. This latter could only be accomplished effectually if the goods imported from Germany for re-export either bore the words: **"Made in Great Britain,"** which would be deliberate fraud, or by taking care that they bore no marks at all, in which case the purchaser would have difficulty in determining where the goods came from, and would-be trade purchasers would not know where to order. An elaborate explanation of the reasons for the policy urged is included in the memorandum, which states that, by adhering to the policy of not taking German goods and selling them wherever we can find a market we are driving Germany to bankruptcy and Bolshevism, preventing France and Belgium from reaping the fruits of victory, in so far as indemnities from Germany are concerned, and handicapping France in paying back to us the enormous sums she has borrowed. Other effects are the reduction of consumption of our Empire's raw materials, offering to neutral nations a tempting opportunity to snatching our foreign trade, and decreasing our chances of holding our world markets against America.

"COMMON SENSE" NEEDED

British Labor Leader Tells Workers To Down Materialism

Pointing out the evil effects that were bound to ensue from the modern tendency to destroy for the sake of destruction, George Barnes, M.P., the labor leader in the British War Cabinet, recently made a plea for more "common sense" in trade unionism. Mr. Barnes continued:

"There are those who want to pull down the pillars of the state, on the off-chance that something more to their liking will arise. I have worked for the workingman always, but I have never believed that the materialistic doctrines of rancour and ill-will can put things right. But that is what is now believed by an increasing number.

"I believe that common sense must assert itself over the materialistic forces that have been gathering in the past few years. I have seen improvements during the past few months. Six or eight months ago I was alarmed by a feeling on waking up in the morning that anything might happen during the day, but we have now got over the worst."

Another speaker at the same labor conference, deplored the "profiteering spirit" that prevails among the workingmen who think that happiness can only be found in the desire to get as much as they could and give as little as they could.

EFFICIENCY PAY PROPOSED FOR RAILROAD MEN

Several Suggestions as to Profit-sharing With Employees

INCENTIVE NECESSARY

Only Way to Insure Welfare of the Worker and His Fellow is to Encourage Greater Showing in Results

WASHINGTON.—Nearly all of the bills framed with a view to the solution of the railroad problem have contained some sort of provision for profit sharing. While this feature has been unqualifiedly disapproved by the Association of Railway Executives, no definite substitute provision has been suggested in connection with the general filing of objections.

It remained for A. H. Smith, president of the New York Central Lines, to advance an alternative plan for meeting the railway wage problem. This he has done in a letter to Chairman Esch of the House interstate commerce committee. Mr. Esch has informed Mr. Smith that, in his opinion, the suggestion given in this and other respects are deserving of wide publicity, and signified his intention of having the letter printed as part of the hearings on railroad legislation. Touching on the subject of wages and labor, President Smith said:

Nearly all of the men on these railroads are, in my opinion, of our best citizenship. They are virile, stable men. Many of them do work of great importance and consequence. Their compensation must be relative, all conditions of their employment must be understood, and their relations to other employment must be considered.

All men in all walks of life are given the same amount of time—lawyer, farmer and artisan. In addition, there is skill and effort which is variable and must be allowed for as they are furnished. I believe our solution of the railway wage problem is to give the individual employe a participation in the results of his individual labor. This is apparent at the time and ascertainable, and can be paid promptly. To participate in the profits as has been proposed is uncertain and is not the true measure. Such a plan will cause suspicion and distrust, unhappiness and unrest. It is not constructive even if it is feasible, which I doubt. It will not produce uniform results on different properties or on the same properties, and such inequalities will in time disrupt any such arrangement, and besides, it looks like confiscation.

Men cannot survive without incentive. Without incentive there is no progress. Given incentive a man will try to progress. He will combine the factor of time, which is common to all alike, with skill and effort as he develops. What he gains for himself and contributes to the benefit of mankind will depend on the result of his use of his faculties and skill with time and effort.

Solutions offered

The Committee on interstate Commerce of the House of Representatives has had presented to it various plans for the solution of the railroad problem, in opposition to the Plumb plan of nationalization. Prominent among these is the Warfield plan, so-called, formulated and advocated by the National Association of Owners of Railroad Securities. This plan, in brief, is as follows:

(1) The country shall be divided into three classification territories.

(2) Congress shall enact that such traffic rates shall be established as shall return not less than 6% on the combined property investment accounts of the roads in the three territories.

(3) These rates might not secure 6% earnings to the roads in poor traffic territory, but conversely might bring in over 6% to others, in which case, the surplus over 6% would be equally divided between the road earning it, its employes, and "such use as will be of benefit" to the travelling and shipping public.

The plan of the Association of Railway Executives contained the following features:

(1) Approval by public authorities of rates that will allow the roads to be self-sustaining, and to command necessary new capital;

(2) Exclusive regulation of rates by the Interstate Commerce Commission, assisted by regional sub-commissions;

(3) Greater unification of public regulation, through national control, to be provided for by Federal incorporation of interstate lines;

(4) Authorization of consolidations of existing lines into strong competitive systems, and of the joint use of terminals, when found to be in the public interest.

(5) The creation of a Federal Transportation Board, charged with the general oversight, from the point of view of public interest, of transportation. There would be three commissioners appointed by the President. The Board would be co-ordinate with the Interstate Commerce Commission and would relieve it of all functions except those of rate regulation, valuation, and accounting.

Opposition to nationalization of the railroads and the favoring of consolidation or unification of railroad systems characterized a number of the plans offered to Congress.

Cummins Railroad Bill

In the Senate a bill has just been offered by Senator Cummins of the Senate Committee on Interstate Commerce, which contains the following provisions:

(1) The roads will return to private ownership on the last day of the month in which the bill is enacted into law.

(2) The Interstate Commerce Commission receives greatly increased power and is made the supreme body for railroad affairs.

(3) A new Railway Transportation Board is established with certain supervisory power under the Commission.

(4) Between the Commission and the Board the Government would supervise and control virtually all railroad affairs, including not only rates, but wages, operation, and financing.

(5) A Committee on Wages and Working Conditions would be established; composed equally of representatives of employees and employers.

(6) Strikes and lockouts would be prohibited under penalty of fine and imprisonment.

(7) The interstate railroads would be combined into not less than twenty and not more than thirty-five regional systems with Federal incorporation.

(8) The Government guaranty of railroad income would cease, but present contracts would be continued not longer than four months and present rates only changed by the Interstate Commerce Commission.

The revenue thereafter would be limited to sufficient to produce "fair" dividends based on property valuations fixed by the Interstate Commerce Commission.

STRIKES NO CURE

British Labor Leader's Warning—Other Items About Labor

J. H. Thomas, head of the British Railway Workers' Union, warning of the probable unemployment this winter, says, "There is nothing so ruinous to the cause of labor as the silly notion that the only way to solve our difficulties is to resort to wholesale strikes."

Governor J. J. Cornwell, of West Virginia, in an article in the New York "World," says that the recent armed uprising of miners in Kanawha coal field was the result of persistent radical propaganda, spread by agitators.

W. Green, international secretary-treasurer of the United Mine Workers of America, stated at the convention in Cleveland that the mine workers' demands were, substantially, a six-hour day, a five-day week, and from 25 per cent. to 40 per cent. increase in wages. He gave unemployment at the mines as the reason for these demands.

BASIS FOR EXPORT BUSINESS UNCERTAIN

Flour Market is Firm, However, and Bidding For Stocks is Keen

There is nothing much of moment at the present time in the milling situation. Up to the present no understanding has been reached regarding a basis for export business, and there is no export movement at the present time. As a matter of fact, there is no exportable surplus available at the present time. Stocks of grain are light, and demand from domestic sources is very keen, dealers being anxious to replace stocks that have been seriously depleted of late owing to a disinclination to buy.

There has developed a very firm feeling in the flour market, the keen bidding for available stocks, and the fact that costs are higher than they were, has led to a possibility of further increases. The mills, it is stated, are paying at the present time about six cents a bushel more than they were paying at this time last year, this and the fact that other costs have materially increased, makes a further price increase well within the realm of possibility. New crop wheat is beginning to arrive at some of the Western mills, and before long it is probable that ample stocks will be available for all the mills.

DENIALS BY OFFICIALS

Railways and Banks Did Not Influence Government on Grain

The C.P.R. and the Canadian Bankers' Association disclaim any connection with the Government's decision to restrict open trading in wheat. It was announced by one of the ministers that their action had been taken at the request of the railways and the banks. The farmers objected to the closing of the markets as it affected prices, and sought an explanation from E. L. Pease, president of the Canadian Bankers' Association, and D. C. Coleman, vice-president of the C.P.R. Both these officials wired back denying the Government's statement, that they had interfered.

REGINA STORE SOLD

Williams Company Has Secured Building From R. H. Williams

The departmental store of R. H. Williams & Sons, Ltd., of Regina, has purchased the building in which they have carried on business for some years, and which was formerly owned by R. H. Williams. The capital stock of the firm was recently increased from $500,000 to $1,000,000, and the purchase price of the building was paid in stock.

LACK OF UNDERSTANDING OF VITAL PRINCIPLES OF MODERN BUSINESS SHOWN BY COURT OF COMMERCE

Investigation Into Living Costs Provides Little Benefit

EFFICIENCY SHOWN

Net Result of Sittings Has Been to Show That Big Concerns Rendered Good Service to Public

The sessions of the Board of Commerce being held at present in different cities of Canada, are not, judging from press reports, occasioning any furore of enthusiasm on the part of the public, the public, in fact, has been rather noticeable by its absence. Despite this fact, however, these sessions are of material interest and importance, and a source it may be as well, of considerable danger. W. F. O'Connor, the most energetic member of the board, has on a number of occasions laid emphasis on the very wide powers of that body. If these powers are as wide as the reported utterances of Mr. O'Connor would suggest, then the deliberations may well be considered with a certain amount of concern. For instance, the statement has been attributed to Mr. O'Connor that the board will not permit any further increases in the price of food commodities, and that it is the intention of the board to set a selling price on such commodities, as has already been done in the case of sugar.

Take the instance of sugar as an illustration of the possibilities of such action. The refiner is allowed two-fifths of one cent per pound to cover all his costs, the wholesaler a 5 per cent. commissioner, and the retailer one cent per pound. Taking the case of the retailer as an example, one cent a pound on an investment of 11 cents per pound, plus freight charges, results in a profit of something less than 9 per cent. The Harvard Bureau of Business Research gives the actual cost of doing business of a competently managed retail grocery business at between 18 and 20 per cent. In other words the retailer is losing upwards of 5 per cent. on every pound of sugar sold under this regulation.

The only alternative is, of course, to make some other commodity bear the extra cost that should be borne by sugar. The change, therefore, does not represent a saving to the consumer at all, though at first blush it may appear to do so. The elaboration of this system to cover other food products would only have the effect of fostering the pernicious system of making one product bear more than its fair proportion of profit.

Practical Viewpoint Lacking

Any legislation tending to limit undue profit on the part of any distributor must be looked upon with favor, but it is reasonable to demand that such action should be taken with a full appreciation of business facts incident upon the necessary costs of distribution. Unfortunately the investigations seem to have an academic rather than a practical viewpoint. In the investigation held in Toronto into the price of bacon, a good deal of prominence was given to the dealings of the William Davies' Company retail stores in ham and bacon. J. A. Nelson, superintendent of retail stores for the firm, stated that on Sept. 15 ham was purchased at 43 cents and sold at 55 cents, and that in the cutting there was a certain loss and that one-third of the ham had to be sold at a reduced cost, and that the whole transaction resulted in an average profit of 4½ cents per pound, which showed an actual loss on the transaction.

Mr. O'Connor countered with a question: "How many times do you turn over your capital in a year," and on Mr. Nelson's admitting that he did not know, Mr. O'Connor contended that it was impossible without knowing that fact to say wether there was a profit or not. "Profit," he continued, "all depends upon the number of times the capital is turned over. We don't believe the Davies' Co. knows its costs. You have undertaken to say that you are not making any profit. We will find out what the profit is before we are done here."

Profits and Turnover

This contention in itself is another evidence of how difficult it will be to achieve any useful results in this investigation. Mr. O'Connor is sure that his system is the correct one, though it is opposed to every known system of establishing business costs. Turnover, of course, is the deciding factor, but it is a turnover of stock, not of capital that is the basis on which all computations of costs and profits are made. There must, of course, be a profit on capital involved in the individual transaction, but then it depends entirely on how often this stock is turned during the year, as to whether the percentage made on capital must be large or small. Mr. Nelson could unquestionably have given information on how often the goods turned during the year, on the average costs of doing business, and on the profits for the year. With this information, Mr. O'Connor's dictum to the contrary, it is quite possible to establish the fact of whether the goods in question show a profit or no.

Once again the trade is faced with the fallacy of computing profits on capital, which has only the slightest bearing on the actual cost of the consumer, because the percentage on capital and the percentage on sales are two entirely different things. While it is not entirely clear what Mr. O'Connor believes is the correct way of figuring costs, the bearing of his remarks would seem to suggest that he objects to averages, that he believes that each individual transaction should stand by itself, that for instance, the dealer should know the exact percentage of profit on each individual ham. Interesting enough information, certainly, but a system that would so clog a business with detail and the necessary machinery for handling it, that the costs of business would soar to undreamed of heights. Such a system is entirely impossible in actual operation.

As to Prohibiting Exports

Several times during the course of the various investigations, the export business done by various firms has come under consideration, and the proposal to prohibit this business has been seriously made as a means of improving price conditions in Canada. There is no question that a prohibition on exports would have this effect. Prices would decline, but the decline would be made at very serious cost to the country at large.

According to the statement of E. C. Fox, of the William Davies Company, before the board sitting in Toronto recently, 60 per cent. of the bacon business of the company was on export order. It is fair to suppose that the export busines represents a somewhat similar ratio to production in other large packing firms. To double and more than double the amount of bacon on the Canadian market by embargoes would unquestionably bring down prices with a rush. It would also bring down the prices of hogs, for unquestionably the packing plants would take immediate action to bring production somewhere within range of the possible consumption. It would mean the destruction of the hog-raising industry.

But even the amelioration in price conditions would not be as effective as would appear on the surface. Canada produces comparatively few of the multitude of food commodities she uses. It will be necessary to continue to buy the bulk of these abroad. With a lessening export movement, exchange conditions would unquestionably become more acute, and all these imported products would have to face this adverse exchange. What was saved on bacon would be expended on coffee and spices and a thousand and one other commodities. Mr. O'Connor also has spent some time considering the matter of the lower bacon prices in England, nor is he inclined to accept the statement that the prices are lower because the British market takes the whole side instead of select cuts. Mr. O'Connor suggested that the million pounds of bacon at present in storage in the William Davies' Company plant awaiting export, might be sold to the Canadian public.

"The Canadian people will not buy it," stated Mr. Fox.

"I'd like them to get a chance at it," Mr. O'Connor retorted.

"Well, it's for sale," replied Mr. Fox.

"Put it up for sale in your retail stores, taking into consideration the money you have made during the war. Put it at a low price. Canadians will buy it all right," Mr. O'Connor retorted.

Unfortunately the discussions are bringing to light far too many statements such as this; statement unbacked by any kind of experience. Bitter experience on the part of the packers has proved the contrary. And it is to be remembered that this is the evidence of actual experience, not merely an opinion. There are plenty of figures to prove that the Canadian market will not take certain cuts regardless of the cost at which they are sold. Moreover, there is plenty of evidence that this is a growing characteristic. There is a far wider range in price between the better and the poorer cuts now than there was six years ago. People can buy the poorer cuts far more cheaply now in proportion to existing prices than they could then. The incentive is there, but the demand is not. The demand is for the best grades, and the best grades must help to market the poorer, and consequently must bear a higher price.

The evidence of the investigation so far has not been productive of any material results, nor has it brought to light any condition, that considering the exigencies of business, are not amply justified. There have been a good many statements in contradiction of the evidence, but these have been matters of opinion rather than of experience, and as such do not bear great weight. There has as yet been nothing to substantiate the oft-repeated charges of almost universal profiteering.

> **COL. PRICE'S ARITHMETIC**
>
> An extract from the Toronto "Star's" report of the Court of Commerce inquiry:—
>
> Reading from documents, Col. Price pointed out that the gross profits of the retail stores (Davies) for May, June, July, and August were 20.21 per cent., 18.51 per cent., 19.55 per cent., and 20.51 per cent., respectively. The net profits on the turnover for the past five months were 4.92, 1.63, 1.09, 2.89, and 3.14 per cent., respectively. "That makes altogether a profit in five months on your turnover of 13.67 per cent?" said Col. Price.
>
> "No," replied Mr. Nelson, "you must add them together and divide by five to get the average." The commissioner smiled and on reflection counsel saw his mistake.

SOUTH AFRICA TRADE MUST BE GONE AFTER

Importers in That Country Deal on a Cash Basis With Canada

The statement that has been made by Canadian bankers, who have been investigating trade possibilities in every part of the world, that Canadian exporters can not get their share of foreign trade by means of catalogues and circulars was emphasized by W. J. Egan, Canadian Trade Commissioner to South Africa, speaking to the Financial Post this week. "Canadian manufacturers must have their own agents on the ground in South Africa, or they will not get the trade," said Mr. Egan.

South Africa, said the commissioner, offers a fine field for Canadian trade in automobiles, all steel and iron manufactures, and food products, as well as in many less important lines. In return, South Africa could send us wool, cape-skins and fruit. The latter could be made a very good import, as South African fruit comes on the market at the time when California and Italian fruit is not available.

South African importers deal on a "cash against documents basis," and long term credits are not asked for. There is only a small tariff wall, which does not operate to any great extent against farm implements and similar goods.

Canada should get a large proportion of the trade South Africa formerly gave to Germany, said Mr. Egan, amounting to about $17,000,000 annually. At present Canada's exports to South Africa total about $9,000,000 a year. One large item in the Canadian exports to South Afica is pulp and paper, and this trade could be increased somewhat.

HAD LARGE INVESTMENTS

Robert Cox, Ottawa Lumber Merchant, Leaves Estate of $1,700,000

An estate of $1,790,543.85 was left by Robert Montgomery Cox, an Ottawa lumber merchant, according to the will which has just been admitted to probate. The chief beneficiary will be a son, Herbert S. Cox, of London, England. Stocks and bonds held by the deceased included:

Brampton Pulp Co., $23,607; Mattagami Pulp Co., $11,211; Price Bros., Ltd., $18,876; Lachine Rapids Hydraulic & Land Co., $155,502; Whelan Pulp & Paper Co., $22,857; Ames-Holden-McCready, Ltd., $22,980; Nova Scotia Coal & Steel Co., $162,125; Lake of the Woods Co., $9,592; Riordon Pulp & Paper Co., $72,695; City of Lachine, $23,347; Laurentide Power Co., $30,924; Dominion of Canada Victory Loans, $256,777 and $105,810; Ottawa Gas Co., $65,281; Marcus Loew's Theatres, Toronto, $22,670; General Supply Co., of Canada, $23,582; Ottawa Traction Co., $41,645; Alberta Pacific Grain Co., $27,322; Imperial Realty Co., $27,149; Elgin Realty Co., $30,000; Frost & Wood Co., Ltd., $50,000; Woods Manufacturing Co., $99,609, and $80,000; Marcus Loew's Theatres, Montreal, $37,605 and $18,000; International Portland Cement Co., $47,498; McLean Hardwood Co., $25,810; Cox, Long & Co., Ltd., $227,005, and Robert Cox & Co., $332,000.

GIVE CANADIANS PREFERENCE

The newsprint inquiry has again been adjourned, this time to the second week in October. At the session on Wednesday, Commissioner R. A. Pringle announced that Canadian newspapers were in a bad way for newsprint, but that they would be given the preference in all shipments.

ACTIVE DEMAND FOR CANADIAN GOODS IN EAST

China and India Are Taking Advantage of Exchange Situation

IMPORTS ARE DOWN

Our Money Has Only About Half of Its Old Buying Power, While Their Currency Has Doubled

VANCOUVER.—Chas. S. Meek, import and export merchant, sizes up the present business conditions for THE FINANCIAL POST. As far as Canadian export of steel and manufactures of steel goes, says Mr. Meek, the American and Canadian manufacturers are so swamped with orders, both European and domestic, that would most probably have been shared with the British firms had not industrial troubles and coal advances made the British prices—non-competitive, that they cannot begin to take care of Oriental business.

There is all kinds of business offering. Almost any commodity, either manufactured or in raw materials, that Canada can supply, the Orient will buy. China and India and Japan are all buying at an enormous pace steel, copper, wood, and manufactures. In the cases of China and India, the very favorable rate of exchange has made the present their logical buying season. Whereas the Mexican Silver Dollar, which is their monetary unit, used to be worth about 49 cents in Canadian currency—today it is about worth 88 cents Canadian. Why shouldn't they buy now? They can get almost twice as much for their money here. Although Japan is buying also—it is not quite so apparent what the special activity is. Japan's currency is of course on a gold standard.

Export Demand Off

On the other hand, however, it must be noticed that the various commodities that China and India usually sell us are not finding such ready buyers as in normal exchange time. We have to pay almost double prices for anything we purchase—so the purchases are only small. With the exception of silks, which I suppose would be bought at any price, China's business has fallen off to a very marked degree. Although the small growers and producers will not be aware of much difference, the great ports of China are simply loaded to capacity with the accumulated stocks of hides, bristles, beans, peanuts, jute and the various other commodities that China usually exports, and that now do not find purchasers in the face of the unfavorable exchange.

It is also expected that by the end of the year the Mexican dollar will be at par, or worth 100 cents. Of course the Mexican dollar will follow the rising price of silver. Probably China and India are to quite an extent responsible for the rising price of silver. India uses an enormous quantity of silver in her arts, and then both the Indian and Chinese people are constantly withdrawing the silver from circulation and burying it. That is their idea of getting a sum set by for a rainy day. To get the actual silver currency and bury it in the ground. There will, however, be a point reached where the stagnation in export will curtail the buying power and exchange will become more favorable.

Mr. Meek explains that during the years 1902 and the following when the prairies experienced a great building boom, the B.C. lumbermen forsook the Australian and New Zealand markets, which they had captured to the extent of about 35 per cent., and turned to the easier and nearer market on the prairie. The Seattle and Portland lumbermen jumped into the gap, and have secured a big hold in those markets. To-day Canada gets about 3 to 5 per cent. of the lumber business in the Antipodes. At the present, when B.C. lumber business is booming, a fair share of the lumber bought by American operators in Seattle and Portland, is used to fill their orders in New Zealand and Australia.

MANUFACTURE LINEN FIBRE

Baltimore Investors Establish Linen Fibre Company of America

American firms are following the lead of Canada in establishing the linen industry on this continent. It is announced from Baltimore that investors are interested in plans for building a linen fibre factory at Frederick, Maryland, and possibly one at Baltimore. The Fibre Company of America has been incorporated with $1,000,000 capital to take care of the enterprise.

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The Young Man Entering Business (special full limp morocco), Marden, $1.50.

The Efficient Secretary, Spencer, $1.00.

Exporting to Latin America (565 pp.), Ernst B. Filsinger, $3.25; by mail, $3.40.

Principles of Factory Cost Keeping, by E. P. Moxey, price, $1.00.

Principles of Depreciation, by Earl A. Saliers, price, $3.00.

Unified Accounting Methods for Industrials, by Clinton E. Woods, price, $5.00.

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CAN. MARCONI COMPANY FACES BETTER PROSPECTS

Report For 1918 Shows Profits of $138,647, a Gain of $23,306

STRONG COMMERCIAL

Business Not Allowed to be Resumed Until Last March—Equipped 132 Vessels—Factory Outfit Enlarged

By Resident Correspondent

MONTREAL.—The annual report of the Marconi Wireless Telegraph Company of Canada for the year 1918, which was made public this week, shows the most successful period in the history of the company. The profits for the year amounted to $138,647, as compared with $114,953 for the previous year, and after providing for interest on advances of $25,057, and reserve for depreciation of $18,216, there remained a total balance of $293,787 to carry forward as surplus, compared with $198,413 at the close of 1917.

However, as the general manager, Thomas Robb, points out in his report to the shareholders, the real development of the company's business after the war did not commence until well on in the present spring, for it was not until March that the company was allowed to resume its commercial operations. Since that time it is understood these have developed to a very great extent, and the showing for the current year should indicate a much stronger position. Mr. Robb refers to a weakness that has been commented on before by THE FINANCIAL POST, "the heavy capitalization of the company, and its restricted field of operations." This has been remedied to a considerable degree by the scheme of reorganization that was ratified by the shareholders this week when the capital stock par value was cut in two, and a new issue of stock made, while the indebtedness to the English company, which has been a load on the Canadian company for years, was lightened.

One of the encouraging features of the present business of the company is the factory that has been greatly enlarged, with the result that ship sets have been manufactured and installed on vessels of many nationalities. Then ship rentals have increased, from 34 in 1913, to 45 in 1914, to 55 in 1915; 72 in 1916; 96 in 1917, to 132 during the past year. It is stated that the policy of having Canadian owned ships registered in Canada will doubtless result in the company securing contracts for the construction of wireless apparatus on further vessels. A contract has been made for this being done on all the new Government vessels, numbering forty. Tribute is paid the Minister of Marine, Hon. C. C. Ballantyne, for his services in securing permission to resume the commercial trans-Atlantic operations.

In his report, the president, J. N. Greenshields, K.C., thus refers to the litigation with the Canadian Government for the closing down of the stations on the Eastern coast:

"Your directors regret to state that, so far, no settlement has been arrived at with the Canadian Naval Service Department in respect of the company's claim for compensation for the closing down of East Coast Stations for the period subsequent to August, 1916. Claim has also been presented against the British Admiralty for loss of revenue owing to the closing down of the company's high power stations at Glace Bay and Louisburg, and steps have been taken to press for an early settlement of same.

"Your company had still to contend with adverse traffic conditions during practically the whole year, and Government restrictions on wireless working deprived the company of much traffic revenue. After the signing of the armistice on November 11th, 1918, a gradual relaxation of war restrictions took place. East Coast Stations, which had been closed down or taken over by the Canadian Naval Service Department, were turned back to the company for operation and every effort made to rebuild a profitable service. During the concluding weeks of the year, revenue from this source showed great promise and your directors look forward confidently to increased returns in the future."

Making Capital Account

The statement of working capital still shows a deficit, $373,797, but this has been cut down by $81,307, as compared with the 1917 statement. There is an item of cash on hand, absent in 1917, and no bank overdraft, while there was one of $40,164 in 1917. The two years' figures compare as follows:

WORKING CAPITAL

	1918	1917
Current Assets—		
Cash	$ 3,637	......
Accounts rec.	230,861	$182,591
Investments	9,860	5,675
Appar. and stores	121,594	105,234
	$356,752	$293,501
Current Liabilities—		
Accs. pay. and uncl. wages	730,549	708,441
Bank ovedraft	......	40,164
	$730,549	$748,605
Def. in working cap.	$373,797	$455,104
Gain for 1918		$ 81,307

RAILROAD EARNINGS

For the second week of September gross earnings of the three principal Canadian railroads showed a total of $7,428,264 as compared with $5,923,343 for the corresponding period in 1918, an increase of $1,504,921, or 25.4 per cent. Following are comparative figures for the week:

	1919	1918	Change.	%
C. P. R.	$3,763,000	$2,915,000	+ $ 848,000	29.1
C. N. R.	2,017,960	1,593,343	+ 424,617	26.6
G. T. R.	1,647,304	1,415,000	+ 232,304	16.4
	$7,428,264	$5,923,343	+ $1,504,921	25.4

McINTYRE'S PROFITS SHOW GOOD INCREASE

Ore Reserves Are Also Rated Higher and Value Per Ton is Up

The annual report of the McIntyre-Porcupine Mines, Ltd., which will be presented to the shareholders next week, will show a substantial increase in the net profits for the year as compared with 1918. Net profits have increased from $680,361.04 to $839,500, according to information given THE FINANCIAL POST by Hamilton B. Wills, Toronto, and after allowing $541,542.45 for the dividends distributed during the past year, the surplus for the year will amount to $298,046.17. Added to the net surplus shown at the end of last year's operations of $872,172.75, the total in the treasury will amount to about $1,170,000.

Comparative figures for the past two years are as follows:

	1919	1918
Tonnage milled	179,874	173,327
Gold production, net	$1,671,000	$1,714,258
Value per ton	$9.76	$9.61
Net profits	$ 839,500	$ 680,361
Ore reserves, estimated	$4,777,000	$4,490,432

McIntyre was very active on the Toronto mining exchange during the week and showed a jump of 16 points to a new high of $2.10, easing off as the result of profit-taking by the smaller interests to $2.04. Last year's high was $1.85. At present dividends are being distributed at 15 per cent. annually, but in view of the large cash reserves, held by the company, an increase in the rate is expected soon, especially as there has been no falling off in the value of the ore being brought up at the mine.

INTERESTING MOVE IN CANADA BREAD

An Effort is Reported to Market a Considerable Block of Shares

The efforts to find a market for a large block of Canada Bread stock belonging to an estate has created an unusual activity in the stock of the company during the past week, some 2,071 shares changed hands during the week at figures ranging from 20 to 22. The block of shares, however, that caused the activity, it is understood, still remain in original hands, and no definite action has been taken in the matter, nor is it known whether there is any definite plan to retain this heavy interest in one block. It is understood that the directors of the company have not been approached in regard to the matter.

In regard to the possibility of any difficulty with the bakers, Mark Bredin, president of the company, states that he does not expect any trouble. The master bakers have an agreement with the men that does not lapse unil May 1, and no such action could be taken without a definite breach of that agreement. Regarding the daylight work, arrangements were made at a former meeting of the bakers and master bakers to get together on this matter and try to formulate a working agreement, to be presented to the Legislature for ratification. Up to the present this has not been done, and until that course has been tried and failed, Mr. Bredin does not think that any actual breach is to be feared.

PROHIBITION AND SUGAR

Increased Consumption of 100,000 Tons a Month

NEW YORK.—Prohibition seems to be proving of benefit to Cuba's staple industry—sugar, says the statistician of the Guaranty Trust Company. It is claimed that more than 100,000 tons per month are used in excess of ante-prohibition consumption. A record sugar crop is predicted for this season. This increase in exports is leading to additional industrial and commercial prosperity. Railroads and large buildings are being constructed in many parts of the island. Locomotives for the new lines are being bought to a considerable extent in the United States.

EXPECT BIG PROFITS FOR AMES-HOLDEN

Remarkable Rise in Stock Based on the Prospects For High Earnings

By Resident Representative.

MONTREAL.—There is a maxim current on the Street, "Do not sell short on strike news. You may get caught." This might well have been applied to the investor or speculator, as the case may be, who viewed the failure of Ames-Holden-McCready directors to declare a payment on the fours years of arrears on the preferred stock of the company at their late meeting. At the time the stock was around 58, and there were many who predicted that the disappointment would result in a slump in the stock, that they fancied had been buoyed up by the hope of some generous action towards the arrears. Acting on this assumption it is stated that a company of "shorts" was created, who now "view with alarm" the common stock, as well as the preferred, taking exactly the contrary course to that which they anticipated. On Wednesday of this week it jumped from 58 to 65 on a turnover of 3,490 shares, while the preferred went up from 103½ to 105½ on buying transactions of 1,645 shares. Why this confidence behind the steady absorption of this stock at increasingly higher levels? It is not paying a dividend; more than that, there is a four years of dividends owing on the preferred. Yet on Thursday the stock jumped again by ¼ or ½ points between sales and at the close it was up to 74¼, or 16¼ points for the two days.

Probably the two elements that inspire confidence on the part of the "insiders" are the formation of the Ames-Holden Tire Company, and the coming production by the Ames Company of its own rubber footwear. The new factory at Kitchener is rapidly nearly completion, and will be turning out tires by the beginning of the year, in ample time to deal with the regular placing of orders for spring of 1920, and to implement these orders by timely delivery. Just what the profits that will accrue to the parent company from this source will be is, of course, a little difficult to estimate in advance, but even taking the figures of the conservative head of the company, T. H. Rieder, and discounting them by half would provide an additional revenue of $150,000 a year, which ultimately would reach much higher figures.

Then there are the assets to Ames-Holden from rubber footwear. For the present they are tied up to the Canadian Consolidated Rubber Company by contract, but by the time that this expires there will be standing ready for them, just behind the boot and shoe plant on Mount Royal Avenue, a full-fledged rubber footwear plant that is rivaling the Kitchener plant in rapid construction, as it does in up-to-date machinery. This, it is understood, will be turned over to Ames-Holden, and from that moment profits will commence from this new source. That these will be very fruitful may be inferred from an estimate made for THE FINANCIAL POST that Ames-Holden have been customers to the extent of $2,000,000 a year for rubber footwear, and there should be coming to them from their own factory in this department something like $250,000 a year profits as a start. From the two sources alone the profits of $350,000 from the boot and shoe business of last year should be at least doubled, from the two new departments of manufacture that are being added to the company's operations.

NATIONAL STEEL CAR

Some Announcement Regarding Developments is Looked For

The cars ordered by the Canadian National Railways from the National Steel Car Company of Hamilton are practically completed. Sir John Gibson, president of the company, looks on the future with equanimity. While the C.N.R. officials have not yet indicated that they will buy more rolling stock in the immediate future, little doubt is entertained but that further orders will be placed. Canada is in need of rolling stock in considerable quantities, and the Dominion's requirements are bound to furnish activity for National Car. The company has been doing some export business of a profitable character; it is running out of the French order as well in the near future. There are some development plans under consideration that are likely to be announced shortly. Production of motor trucks is proceeding, and indications are that production in greater quantity might be advantageous. Stock has started on the upgrade again, preferred showing strength sufficient to raise it from 35 to 48 during the week. Common as well has shown a betterment, going from 6⅝ to high at 11 in the same period. National Steel Car has not been heard of much since the flurry that occurred when there were prospects of selling the property to an American company. In fact since the middle of March there has been no movement worth mentioning. It seems possible that some announcement may be made shortly concerning developments at Hamilton plant.

WESTERN POWER

Western Power Company of Canada, Limited, reports operating revenues of $40,598, an increase of 2.9 per cent. compared with July, 1918, and net of $25,298, an increase of 5.5 per cent. compared with July, 1918. There was included in operating expenses for depreciation during July, 1919, $1,702. Twelve months ended July 31, operating revenues were $453,375, an increase of 1.6 per cent. over the same period in 1918, and net of $292,891, a decrease of 6.6 per cent. compared with the same period in 1918, after making allowances for depreciation of $20,666.

A. MACDONALD

The A. Macdonald Co. became more prominent this week on the Exchange owing to some active buying and the common stock is firming up. The statement for the first six months of the year, THE FINANCIAL POST is informed, showed rather better than last year's, in spite of the serious handicap of the Winnipeg strike. Since then business has been running well ahead of last year.

S. W. Straus, of S. W. Straus & Co., N.Y., asserts that the end of the active building season is now in sight, and there is a housing shortage equal to the needs of 4,000,000 people in the United States.

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UNITED CIGAR STORES, LIMITED

Incorporated 1915

To the Shareholders:

Herewith your Directors beg to present the annual report of your Company for the fiscal year ended June 30th, 1919.

The Cigar Stores Operating Company reports as follows:—

"The Retail Stores operated by the Company at April 30th, 1919, numbered as follows:—

Regular Stores	47
Sub Stores	106
Total	153

being an increase of 29 over the previous year.

"The gross sales of merchandise for the period amounted to $1,958,844.59, as compared with $1,556,493.22, in the previous fiscal year, being an increase of $392,351.37, equal to 25%. The operations for the year resulted in a loss of $642.30, as compared with a net profit of $49,285.11 in the previous year. The loss is entirely due to the increased cost of merchandise, and our inability to obtain higher prices. The cost of merchandise sold was 3¼% higher during the period under review as compared with the previous year."

Your Directors regret to have to report another year of unprofitable business in spite of the continued expansion of our operations. The adverse conditions reported in our last Annual Report have not been mitigated during the year under review, but have, on the contrary, been accentuated. Cost of labor, rentals and taxes have steadily increased in Canada since the Armistice was signed, and these are not only reflected in our own increased operating expense, but also in the cost of merchandise.

These conditions have applied throughout the year to all our subsidiary companies.

It will be seen from the above quotation that our business has been developed during the year. This development has resulted in greatly increased sales, and, as a policy of steady expansion is being followed by your Directors, it is to be hoped that an adjustment of selling price in proportion to increased cost may be effected, which will result in our securing for our shareholders the larger profits which our increased business should earn.

Respectfully submitted,

Toronto, August 30th, 1919. — W. B. REID, President

Balance Sheet as at June 30, 1919

ASSETS—			
Current Assets:—			
Victory Loan Bonds and Interest (held by Union Bank of Canada)			$ 166,590.66
United Cigar Stores, Limited, Loan Account			32,013.54
Accounts Receivable			3,756.20
			$ 202,360.40
Investments at Cost to Company			3,267,874.43
Organization Expenses (less amount written off)			3,849.41
			$3,474,084.24
LIABILITIES—			
Current Liabilities:—			
Accounts Payable			$ 40.49
Capital Stock:—			
7% Cumulative Preference: Authorized 360,000 Shares of $5.00 each	$1,800,000.00		
Issued 300,610 shares, fully paid		$1,503,050.00	
Less: Held in Trust for Purchase of Capital Stock of Subsidiaries held by Public, 5,678 Shares		28,390.00	
		$1,474,660.00	
Common: Authorized and Issued: 400,000 Shares of $5.00 fully paid	$2,000,000.00		
Less: Held in Trust for Purchase of Capital Stock of Subsidiaries held by Public, 3,805 Shares	19,025.00		
		$1,980,975.00	
			$3,455,635.00
Surplus Account			18,408.75
			$3,474,084.24

AUDITORS' CERTIFICATE.

We have audited the Accounts of the United Cigar Stores, Ltd. (1915), for the year ended June 30, 1919, and hereby certify that the above Balance Sheet is in accordance with the Books of the Company, and subject to the remark that the book value of the investments as shown above exceeds the par value by $1,329,559.43, in our opinion correctly represents the financial position of the Company at June 30, 1919. All our requirements as Auditors have been complied with.

MARWICK, MITCHELL, PEAT & CO.,
Toronto, Canada, August 20, 1919. — Chartered Accountants.

Service for Corporations

Officials of Public Companies should be relieved of all possible detail and responsibility. The Union Trust Company is authorized and organized to be of assistance in several particulars:

1. Secretary, financial agent or book-keeper,
2. Trustee for bond or debenture issues,
3. Transfer agent and registrar of shares.

The Trust Company's appointment in any or all of these capacities will increase public confidence in any corporation and place the technical duties involved, on the shoulders of specialists. Your enquiries will be appreciated.

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MONTREAL TORONTO WINNIPEG

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CAN. LOCOMOTIVE PROFITS LARGEST IN ITS HISTORY

Nearly $900,000 is Earned; Increase of $215,000 Over Last Year

POSITION IMPROVED

Current Assets Show an Increase and Liabilities Decline—Victory Bond Holdings Larger Than Last Year

Very satisfactory is the annual report of the Canadian Locomotive Company, passed upon by the shareholders at the annual meeting in Toronto on Wednesday. Profits for the year were the largest in the company's history, amounting to $892,976.33, an increase of about $215,000 over last year, and of $171,000 over the previous high record attained in 1917. This fact is especially gratifying in view of the fact that two months of this year's operations were affected by the strike in the company's plant, which broke out in May and is still unsettled.

Of the total profits, $44,292.82 was obtained by interest from investments. The disposition of the profits follows the same lines as last year. Bond interest took $90,000; common dividend $120,000; preferred dividend $105,000; provision for depreciation $100,000; for replacement $25,000; for sinking fund $15,000. The net balance, therefore, on the year's operations is $427,377, which, added to the previous balances, leaves a credit to this account of $1,366,794.

The company's financial position has been improved during the year. Current assets have increased from $2,148,442 to $2,298,430, and current liabilities have been reduced from $1,037,620 to $633,754. Holdings in Victory bonds and war loans have been increased from $247,769 to $1,348,800.

Rise is Justified

The annual report justifies the confidence that investors have shown in the company, and which has led to a rise in the market value of the common stock from 63¾ at the beginning of the year to around 85 at the present time. At present there is $1,500,000 in 7 per cent. preferred stock outstanding and $2,000,000 in common, on which a dividend of 6 per cent. has been paid during the past two years.

Results of the company's operations for the past three years are compared in the following table:

	1919	1918	1917
Profits	$848,683	$669,916	$721,254
Other income	44,293	8,020	......
Net	$892,976	$677,936	$721,254
Bond int.	90,000	90,000	90,000
Depreciation	100,000	100,000	100,000
Replacement	25,000	25,000	25,000
Sink. fund	15,000	15,000	15,000
Loss on invest.	599	.....	.....
Balance	$662,377	$447,936	$491,254
Com. div.	120,000	120,000	......
Pref., do.	105,000	105,000	105,000
Balance	$427,377	$222,936	$386,254
Previous	929,417	706,479	304,322
	$1,366,794	$929,415	$690,576

In its eight years of operation the company's profits have shown a steady increase, punctuated by only three net declines, as the following table shows:

June, 1912	$ 326,380.43
" 1913	396,886.02
" 1914	342,057.25
" 1915	134,613.89
" 1916	574,211.78
" 1917	721,254.90
" 1918	677,937.02
" 1919	892,976.33
An aggregate of	$4,066,317.62

An average net earning of $508,289 per annum.

The shareholders, of whom about 25 were present at the meeting, approved the action of the directors in dealing with the strikers, and the future relations of the company to its employees were left entirely in the hands of F. G. Wallace, president. Directors were re-elected as follows: Aemilius Jarvis, chairman of the board; Robert Hobson, Warren Y. Soper, John L. Whiting, K.C., James Carruthers, M. J. Haney, C.E., and F. G. Wallace.

DULUTH-SUPERIOR

Gross earnings of the Duluth-Superior Traction for the first week of September totalled $37,375, against $31,943 for the corresponding period in the previous year, an increase of $3,431, or 17 per cent. For the year to date the earnings were $1,304,785, an increase of $147,584, or 12.8 per cent.

LAKE HURON STEEL

Lake Huron Steel Corporation, which has received considerable publicity recently during its negotiations for a site in Goderich, has made payments amounting to $60,000 on the site secured by the Lake Huron Steel Corporation at Goderich. The total cost of the 1,100 acres is estimated at $242,000. The annexation of the plant site to the town is being sought in a petition to the Ontario Railway and Municipal Board. A by-law is being prepared that will be submitted to the Town Council, and later will be voted on by the ratepayers, whereby the company will enjoy exemption from municipal taxes, except school

GOLD AT SHOAL LAKE

Rich Find Reported From Winnipeg Water District

Seams of gold have been discovered in the Greater Winnipeg Water District, eight miles from the intake at Shoal Lake and a company will be organized to develop the claim. Prof. J. S. De Lury, professor of geology at the University of Manitoba, assayed samples from the find at $150 a ton.

The gold was discovered ten miles south of Ingolf. The seams extend south toward Shoal Lake and around Falcon Lake. A. B. McClennand, F. X. Hohn, George Nathanson, Jas. Hicks and F. C. Carter, of Toronto, were members of the party that made the discovery.

OGILVIE MILLING PAYS 45% BONUS

Announcement of 15% Extra Made This Week is Third in Succession

The former bonus records of the Ogilvie Flour Mills Company had almost faded from memory this week when out came one more of those 15 per cent. gifts to the shareholders in addition to the regular share for the quarter of the proportion of the 12 per cent. dividend that came in the ordinary course. But in this, Ogilvie was only repeating the precedent set up on two previous occasions, for a bonus of 15 per cent. was paid on October 1, 1917, and a second one on October 1, 1918. Previous to these a bonus of 4 per cent. had been declared in 1916. The dividend paid by Ogilvie prior to 1917 was 8 per cent., but it was placed on a 10 per cent. basis in January, 1917. This was increased to 12 per cent. on the first of January, 1918. Thus, both in bonuses and dividends the company has shown itself unusually methodical.

The stock naturally has responded to this treatment. In 1917 the low was 137; in 1918 the low was 146, and the high 210. The lowest point reached in the present year was 194, so that at this week's levels of 259 it has gained 65 points. One year ago the stock was selling at 185.

The annual meeting this year will be held the second Thursday in October, and a statement, almost, if not quite as good as in 1918, is looked for.

In its statement of last year sales of over $56,000,000 were shown, and profits of $1,955,414, an increase of nearly $600,000 over the previous year, and of $1,180,000 compared with 1916. The amount available for common dividends was 72.67 per cent., while in 1917 it was 68.75, and in 1916, 25.37 per cent. The profits on milling alone were only $837,910 of the total, while the sales of flour amounted to over $40,000,000 of the total, showing only $2.06 per cent. on the turnover in this department. The working capital amounted to $6,664,499 as compared with $3,649,600 the previous year.

TOOKE'S COMMON WILL PAY 6 P.C.

Directors Intend to Start Dividend Shortly—Doing Double Last Year's Business

The rapid rise in the common stock POST is informed, is due to the inten-POST in informed, is due to the intention of the directors to start off the stock in a few months with an initial dividend of 6 per cent. For a stock that has had a record for several years of deferred dividends on the preferred this will be an unusual record, but the last year or so has been a remarkable one for the company as for nearly all Canadian concerns that were connected with the textile business either as manufacturers of fabrics, or as converters of these cloths. It was only on July 19 last that Tooke's paid off the remaining portion of arrears on the preferred, 3½ per cent., but this is cleared away, the stock pays its regular current dividends, and the way is open for a common dividend. It is stated on good authority that the business of the company is double at the present time what it was one year ago.

The statement for the year ending May 31, 1919, showed profits, net, of $152,309, an increase of $17,000. There was a balance at credit on June 1 of $200,501, as compared with $149,000 one year ago.

The common stock was up to 60 in 1913; down to 17 in 1914; to 16 in 1915; back to 25 in 1916; a few shares sold at 75 in May, 1917, followed by a slump to 19 in December. In 1918 it ran between 19 and 30, and opened this year around 20. On Thursday it rose to 58 from 40 a few weeks before.

WINNIPEG ELECTRIC

Countering the city's claim for $400,000 for past due taxes, the Winnipeg Electric Railway Company has put in a statement alleging that the city overcharged them $300,000 for pavements. A. W. McLimont, vice-president of the company, suggested to the city that the company be relieved from pavement charges, and he points out that they only lead to a necessity for higher fares.

Countless Estates Have Been Wasted Through "Nobody's Fault"

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James Turnbull, Vice-President

MARCONI HOLDERS RATIFY CHANGE

MONTREAL.—A special meeting of the shareholders of the Marconi Wireless Telegraph Company of Canada, held in Montreal, on Wednesday, a by-law was ratified that calls for the reduction of the $5,000,000 of common stock to $2,500,000, by reducing the par value of the stock from $5.00 to $2.50, and also for this issue of 500,000 additional shares of the stock at the lower par value, making the present total par value of the stock $3,750,000. This is in accordance with an agreement with the English Company, which is taking $1,000,000 worth of the new stock, as well as considerably reducing the account it holds against the Canadian company.

At the annual meeting, A. H. Morse, who is the representative of the English Company, was elected to the Board and appointed managing director of the company, replacing E. J. Nally, of New York, who retired from the Board. Thomas Robb, formerly general manager, was appoinetd vice-president. J. N. Greenshields, K. C., was chosen again as president of the company.

DOMINION CANNERS

The long packing season this year that has enabled the canners to take care of the whole pack without having it cut short by early frosts has assured an exceptionally satisfactory pack. Opening prices on a number of lines are materially higher than was generally expected, but the general depletion of stocks in distributors' hands, a condition far more pronounced than for several seasons past, assures a ready market at almost any figure, while there has grown up a brisk export business that can take care of any residue, as a result there has been a revival of the opinion that it may be possible for the company to resume dividends on the common. Whether such action is contemplated or not, no one at present knows, but the possibility is unquestionably lending a new interest to the stock. There was a surprisingly heavy sale during the week, upwards of 14,000 shares changing hands during the week at prices ranging from 50½ to 56.

SENSATIONS AT THE ANNUAL OF U. CIGAR STORES

Continued from page 1

of the charges, and his explanations had the effect of discounting them so far as any effect upon the shareholders' interests might be concerned. He, however, took the stand that it was not a proper time to go into the matter and complicated the situation when he explained that against the shareholder and former secretary making the charges before the meeting there was actually a case brought before the courts by the company involving charges of misappropriation of funds.

The Annual Statement

The discussion of the various charges and allegations rather sidetracked the interest of the meeting from the annual statement, which is reproduced elsewhere in this issue, and which shows that while there was an increase of about 25 per cent. in gross sales—from $1,556,493 to $1,958,844—there as a net loss of $642 as compared with a net profit of $49,285 in the previous year. The situation is explained by President Reid, who says: "The loss is entirely due to the increased cost of merchandise and our inability to obtain higher prices. The cost of merchandise was 3¼ per cent. higher during the period under review as compared with the previous year."

Assets are shown at $3,474,084, of which $202,360 are current, while of the liabilities only $40 are current, the remainder being $3,455,635 of stock, and $18,408 of surplus.

NEW DIRECTORS FOR GUARANTEE COMPANY

The Guarantee Co. of North America announces the election of two new directors of the company, as follows: Samuel H. Miller, vice-president of the Chase National Bank, New York, and Lewis Lillie, vice-president of the United Gas Improvement Co., Philadelphia, to the local board of the company, in their respective cities.

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THE TORONTO GENERAL TRUSTS CORPORATION

DIVIDEND NO. 93

Notice is hereby given that a Dividend of Two and One-half per cent. (2½%) on the paid-up Capital Stock of this Corporation has been declared for the quarter ending September 30th, being at the rate of Ten per cent. (10%) per annum, and that the same will be payable on and after Wednesday, the 1st day of October, 1919.

The Transfer Books of the Corporation will be closed from Saturday, September 20th, until Tuesday, September 30th, both days inclusive.

By Order of the Board.

A. D. LANGMUIR,
General Manager.

Toronto, September 2nd, 1919.

La Banque Nationale

ON and after Monday, the 3rd day of November next, this Bank will pay to its shareholders a dividend of two and a half per cent. (being at the rate of ten per cent. per annum) upon its paid-up capital, for the quarter ending on the 31st October next.

This dividend will be paid according to the list of shareholders of record on the 15th October next.

By order of the Board of Directors.

N. LaVOIE,
General Manager.

Quebec, 16th September, 1919.

Nipissing Mines Co., Limited

Head Office, Toronto,
Canada, August 29, 1919.

The Board of Directors has to-day declared a regular quarterly dividend of FIVE PER CENT., payable October 20, 1919, to shareholders of record September 30th, 1919. Transfer books close September 30, 1919, and reopen October 17, 1919.

P. C. PFEIFFER,
Treasurer.

Provincial Paper Mills Co. LIMITED

NOTICE IS HEREBY GIVEN that dividends of one and three-quarters per cent. (1¾%) on the Preferred Stock, and one per cent. (1%) on the Common Stock of this Company, have been declared for the current quarter, both payable October 1st, 1919, to shareholders of record at the close of business September 15th, 1919.

S. F. DUNCAN,
Secretary-Treasurer.

Dated, Toronto, Sept. 5th, 1919.

The Bank of Nova Scotia

Dividend No. 199

NOTICE is hereby given that a dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending September 30th and that the same will be payable on and after Wednesday, the first day of October next, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 16th to the 30th proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N.S., August 15th, 1919.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following dividends have been declared this day for the quarter ending October 31st, 1919, One and one-half per cent. (1½%) on the Preferred Stock, payable on the 1st day of November, to shareholders of record of the 21st day of October, 1919, and One and three-quarters per cent. (1¾%) on the Common Stock, payable on the 15th day of November, to shareholders of record of the 5th day of November, 1919.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Sept. 15th, 1919.

LAURENTIDE COMPANY, LIMITED

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend of three per cent. (3%) for the quarter ending September thirtieth, has this day been declared upon the capital stock of this company, payable on Wednesday, the first day of October, 1919, to shareholders of record at the close of business September twenty-second, 1919.

By Order of the Board of Directors.

F. E. McNALLY,
Assistant Secretary.

Montreal, September 2nd, 1919.

The Ogilvie Flour Mills Company, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of three per cent. and a bonus dividend of fifteen per cent. have been declared on the common stock of The Ogilvie Flour Mills Company, Limited, payable Wednesday, the first day of October, 1919, to Shareholders of record, at the close of business Wednesday, the twenty-fourth day of September, 1919.

By order of the Board.

G. A. MORRIS,
Secretary.

Montreal, September 17th, 1919.

CANADIAN WOOLLENS, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of Canadian Woollens, Limited, for the period ending the 30th day of September, 1919, payable Wednesday, the 1st day of October, 1919, to shareholders of record at the close of business Saturday, the 20th day of September, 1919.

By order of the Board.

WILLIAM TINKER,
Secretary.

Peterborough, Sept. 15th, 1919.

Central Canada Loan & Savings Company

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of TWO AND ONE-HALF PER CENT. (2½%) for three months ending September 30th, 1919, at the rate of TEN PER CENT. (10%) per annum, has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Wednesday, the 1st day of October, 1919.

The Transfer Books will be closed from the 19th to the 30th of September, both days inclusive.

By order of the Board.

E. R. WOOD, President.

The Canadian Crocker-Wheeler Co. LIMITED

DIVIDEND NOTICE

THE Directors of The Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the Preferred Stock of the Company for the three months ending September 30th, 1919, to shareholders of record September 20th, 1919. Also a dividend of One and Three-quarters per cent. (1¾%) on the Common Stock of the Company for the three months ending September 30th, 1919, to shareholders of record September 20th, 1919.

The stock books will be closed from the 20th to the 30th of September, both days inclusive.

Checks will be mailed to shareholders on September 30th, 1919.

By Order of the Board.

H. C. HOWELL,
For Secretary-Treasurer.

St. Catharines, Sept. 5th, 1919.

Canadian Car & Foundry Company, Limited

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) on the paid-up Preference Stock of the Company for the quarter ending September 30th, 1919—and an additional one and three-quarters per cent. (1¾%) on account of deferred dividends on said Preference Stock—has been declared payable on the 10th day of October, 1919, to Shareholders of record on September 26th, 1919. The Transfer Books of the Company will remain open.

By Order of the Board.

A. C. BOURNE,
Secretary.

Montreal, August 13th, 1919.

The Molsons Bank

156th DIVIDEND.

THE Shareholders of The Molsons Bank are hereby notified that a Dividend of THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the capital stock has been declared for the current quarter, and that the same will be payable at the office of the Bank in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT

to Shareholders of record on 15th September, 1919.

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this City, on MONDAY, the 3rd of NOVEMBER next, at three o'clock in the afternoon.

By Order of the Board.

EDWARD C. PRATT,
General Manager.

Montreal, 26th August, 1919.

LARGE PROFITS IN TOURIST TRAFFIC FOR STEAMSHIPS

The Earnings From This Department Increased $1,000,000

DIVIDEND PROSPECTS

Income Now Considered Sufficient to Warrant an Advance on the 4 Per Cent. Rate

By Resident Representative.

MONTREAL.—The big tourist business that Canada Steamship Lines were favored with this year continued well up to the end of the season, which has practically been reached with the middle of September. From information given to The FINANCIAL POST the increase in this section of the company's business over last year will exceed $1,000,000, which means that the earnings of the company on this account were nearly doubled, and thus the profits were far more than double. While reports of the freight business overseas for the first eight months of the year are not yet to hand it is believed certain now that the earnings for the season of 1919 will exceed those of the year 1918 when they reached the highest hither-to on record for this company.

This will go far to meet the criticism that was leveled at the Board in some quarters early this year when the dividend of 4% was declared on the common stock. At that time it was enjoying abnormal freight rates and therefore the profits from this end of the business would not be repeated this year. This is true so far as freight receipts are concerned, to a certain extent, but two points should be noted in a comparison. One is that the falling off was not nearly as great as had been anticipated, and another is that the tourist, or passenger receipts, have been far more than the most optimistic Steamships official anticipated before the season opened.

Dividend Outlook

With a record such as was established last year building up a still larger surplus, and with no reason to look for much of a falling off in the company's receipts for the year 1920, there would seem to be a little doubt that the company would feel in a position to raise the present dividend of 4% to one of five at the time of the annual meeting next year. It was at last year's meeting, or rather before it, that dividend action was taken this year, and the similar period in 1920 would seem the logical one this year.

Twice already this year there have been rumors of increased dividend action by the directors and the stock has risen. This happened to a greater degree than ever this week and by Wednesday the stock was up to 62½ as compared with a close of 58 last week. Very active buying developed, and after the meeting the price eased off only a little. There are rumors always in circulation of English buying, and when Col. Grant Morden, M.P., was in Canada, a few months ago, he set up a "bull" card declaring that he could take Steamships common and sell it for double on the London Exchange. Developments are expected in connection with freight business in other directions than France, and various mergers are talked of. Meanwhile the president, J. W. Norcross, is in England, and action of some kind usually follows a trip of this kind. The preferred this week recovered the dividend in a day.

TELEPHONE MEN'S WAGES

Agreement is Reached Conceding Part of Men's Demand

When the Board of Conciliation met in Toronto to arbitrate on the wages of the Bell Telephone employees, it was announced by the representative of the men that an agreement had been reached between the workers and the company. The agreement provides for a forty-four hour week, and a maximum wage of 75 cents an hour. The old rate was 60 cents an hour, and the men demanded that this be increased to 85 cents. Time and a half will be allowed for overtime up to five hours, and after that double time is allowed.

MAPLE LEAF

The possibility of the continuance of bonus dividends that has lent such an unusual interest in the trading in the common stock of the Maple Leaf Milling Company, came to nothing this quarter, the company contenting itself with the payment of 3 per cent. A general dullness in the stock followed this action, the subsequent light trading taking place at 197. The company's purchase of the Campbell Flour Mills Company, now only awaits the ratification of the shareholders of the Maple Leaf Company. It is expected that the entire matter will be completed at a meeting of the company called for Sept. 24. It is understood that the price paid for the Campbell Flour Company interests was close to the million-dollar mark.

THE CUBA RAILROAD

Net Earnings Over Two Millions After Depreciation and Taxes

NEW YORK.—The Cuba Co. for the year ended June 30, 1919, reports gross income of $331,900 from which was deducted $247,500 for interest and taxes, leaving net income of $84,-400. Surplus June 30, 1918, amounted to $9,795,155, to which $24,459 has been added for refund of income taxes and adjustment of profits of 1917-18 Sugar crop, making total surplus of $9,904,014. After deduction of $1,-005,560 for dividends the profit and loss surplus June 30, 1919, totaled $8,898,454. D. H. Whigham, president of Cuba Co., in his remarks to shareholders, says:

"The properties controlled by the company have had a most profitable year. The company owns all of the common stock, amounting to 158,000 shares of the Cuba Railroad Co. The net earnings of the Cuba Railroad Co. for year ended June 30, 1919, after charging off to operation $879,969 for depreciation, and $400,371 for taxes, amounted to $2,-197,320, to which must be added the net earnings of Camaguey & Nuevitas Railroad, which were $616,865.

SCOTIA ACTIVE ON LAND COAL AREAS

Increased Production May Mean Abandonment of Readjustment Campaign

By Special Representative

SYDNEY.—In Nova Scotia the production of coal during the first half of the year 1919 was 2,450,000 tons, which is 150,000 tons less than in 1918. Coal is being shipped to Scandinavia, owing to the British coal situation. The Nova Scotia Steel and Coal Company are pursuing renewed activity in coal operation, and their undeveloped land areas are receiving such attention the impression prevails that a radical change of policy will be followed, involving a modification, or even abandonment of their campaign for the readjustment of the Cape Breton submarine areas. It is conceded in some quarters that, after all, this question arose out of a speculative conception, crystalized into a legislative act that fell short of what the promoters intended and desired.

MONTREAL TRAMWAYS WANTS BIGGER FARES

Not Satisfied With 7-cent Cash Fare and Other Increases Suggested

By Resident Representative.

MONTREAL.—While the public of Montreal is bemoaning the likelihood of a 7-cent cash fare going into effect shortly on the tramways system, zest has been added to the case by the entrance of Montreal Tramways Company, which is appealing, not for lower fares naturally, like the municipalities and the Trades and Labor Council, but for higher. It is asking the Public Utilities Commission of the province, which will hear the appeal, to revise the amounts arrived at by the Tramways Commission for maintanance, upkeep and renewal, and remuneration on capital value. The Commission in its decision in granting a seven-cent rate in place of a six-cent cash rate at present, held that the company was entitled to 24.7 cents per mile traveled by the cars for operating expenses, and an additional 17.4 cents per mile for trailers used for transportation of passengers, for the year ending June 30, 1920. For maintenance there should be an allowance of 8.54 cents for revenue car mile for those equipped with motors, and 7.05 for trailers. Several items, the company claims, should be added to the total of capital of which 6 per cent. is to be allowed, and a special amount of $534,055 representing the reproduction value of the stores on hand. The physical assets were fixed as they stood when the contract went into effect in Februarp of last year, at a little more than $36,000,000.

WESTERN POWER

The Western Power Company of Canada reports operating revenues of $40,598 for the month of July, which is an increase of 2.9 per cent., compared with the figures for July in 1918, while net earnings at $25,298 showed an increase of 5.5 per cent. There was included in operating expenses for depreciation during July, 1919, $1,702. For the twelve months ending with July 31 the operating revenues totalled $458,375, an increase of 1.6 per cent. over the same period in 1918, and net at $292,891 showed a decrease of 6.6 per cent., after making allowances for depreciation of $20,665.

TORONTO RAILWAY

Ald. Mogridge has introduced a motion in Toronto City Council, asking for the appointment of a commission to make the necessary arrangements, financial and otherwise, for the taking over of the Toronto Street Railway by the city, when the franchise expires in 1921.

CARAQUET AND GULF SHORE

Shareholders of the Caraquet and Gulf Shore Railway in New Brunswick have made application for the disallowance of the legislation passed by the New Brunswick Legislature at the last session, ordering the line to make certain repairs deemed necessary and to provide an adequate tram service.

UPS AND DOWNS OF WAYAGAMACK PUZZLE STREET

Rise of 24 Points on 10,000 Shares Buying Followed by Slump

HINT OF LAURENTIDE

Big Paper Company Said to Desire Limits—No Immediate Dividend Payment—Business Improving

By Resident Representative.

MONTREAL.—The steady rise during the past week in Wayagamack shares, and the slump, following the purchase of over 10,000 shares the past week, furnished a mystery for the Montreal Exchange. The stock went to a high of 70½, but by Wednesday afternoon had touched 63, a loss of 7½ points. This was accompanied by fairly active selling, but at the worst there was evidence of some support being extended to keep the stock from slipping too far or too rapidly as the case might be, and it was noticeable that the closing bid at times was much better than the preceding sales had been. Whether there is a real story behind the steady rise in the stock from a low of 46 up over 24 points may not develop for a few weeks. In the meantime the Street is wondering whether the stock will be allowed to slip back gradually to something over the old average, or whether one of several suggested reasons behind the movement will turn out to be the real cause of the ascension. One of these was that the Laurentide Co. had bought a large section of the timber limits and that the cash payments to the Wayagamack would place it in a position where dividend payments would be made without delay. Another rumor was that Price Bros. had done the same thing. The third was that the Laurentide Co. were endeavoring to secure control of the stock of Wayagamack in order to get the timber limits, which could not be purchased otherwise from the company.

So far as THE FINANCIAL POST could learn all these rumors were without foundation. That is not to say that they were not made the ground for stock market manipulation of the stock, nor that no attempts to carry out these plans have been nor will be made. Several times there have been rises in Wayagamack stock on rumors of immediate dividend action only to have been brought back again. The present rise must be referred back to the time when the minimum was removed causing the stock to drop back from the fixed price of 50 to about 46. However, it did not take it long to recover a few points from this and it has been holding around 48 to 50 till the movement started.

The position of the stock in regard to dividends is about as stated before in THE FINANCIAL POST, namely that no dividends will be paid until the company has a good surplus and sees its way clear from a certainty of future business to maintain the dividends. In this the president of the company and the executive are in close accord. There is no doubt that a certain amount of the strength that Wayagamack has been showing without any dividend is due to the remarkable success achieved by the president, C. R. Whitehead, in connection with another company of Three Rivers, Wabasso Cottons. This company took a good many years to develop by careful management, and it was not until they had built up a good strong reserve and the future of the company was assured that the stock started dividends about 15 month ago, of 5%. Three months later it was placed on a 6% basis and a short time ago went to 8%. Before it was paying a dividend the stock was under 45, and for some little time after it started its 5% it held under 40. To-day it is past par. It is on the analogy to a great extent of this company's record, that some buying has been going on steadily, it is thought, by holders of Wabasso stock for a twin company, Wayagamack.

Another element in the strength of Wayagamack, of course, has been in the general confidence shown in pulp and paper stocks in which there have been a number of increases lately, such as Laurentide and Price Bros., pre-eminently, and almost steady increases in earnings of these companies have been showing, with the confidence in the markets ahead of them, has led to these stocks assuming a position held by no other group.

Inquiry as to the actual conditions at the Wayagamack mills indicate that while the company the first half of the year ran far behind last year, it is rapidly gaining up and bids fair to outstrip 1918 by a goodly margin. The improved demand for kraft paper in England has enabled the company to turn out about 70 tons a day, and to bring up its sulphate pulp production to about 165 tons.

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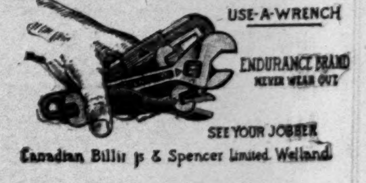

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Res. Fd. £2,570,000 Together £5,070,000
Res. Liab. of Proprietors.. £5,000,000

Total Capital and Reserve £10,070,000

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In Queensland	19
In South Australia	14
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In Tasmania	3
And in NEW ZEALAND	44

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Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

TEN PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

WEDNESDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board.
GEO. H. SMITH,
Assistant General Manager.
Toronto, Aug. 27, 1919.

A loan of £18,000,000 is being negotiated between British financiers and Turkey, according to a despatch to the Exchange Telegraph Company from Constantinople.

STRIKE STILL ON AT THE KIRKLAND LAKE GOLD MINES

Negotiations Between Miners and Companies Failed to Produce Results

SILVER AREA BUSY

Hollinger Expected to Increase Present Dividend Rate and Declare Bonus—McIntyre and Temiskaming Active

There has been no satisfactory developments during the past week in the labor situation in the Kirkland Lake gold mining camps, and the strike of the miners is still on. Negotiations between the mine owners and the miners' representatives have failed to bring about any concrete results. Negotiations are now pending between the business men of the district and the strikers, but the outcome of these meetings is uncertain.

The strike has been on over three months and 500 men have been idle. As the wages paid in the area have been equal to and in some cases higher than in any other gold camps on the continent, the companies have been unable to accede to the men's demands, and production has been curtailed to an extent that is becoming serious in view of the country's need for greater production in all lines. Nine large properties and several smaller ones are affected by the strike.

The strike has reacted on the Toronto mining exchange and stocks in the Kirkland Lake group have been selling at lower levels all around since the first negotiations failed to produce results.

With the strike settled in the Cobalt silver district, conditions are becoming normal and the mines are gradually resuming shipments. Coniagas got out the first big shipment, sending 137,125 pounds of ore, valued at $81,056, to its smelter at Thorold. Mining men expect that this quarter will show a gratifying production in nearly every mine, and there are rumors of larger dividends in many issues. Several of the gold group promise larger dividends also.

Holly's Prospects

Hollinger, it is said, will increase its dividend rate from 1% a month to 5% quarterly at the turn of the year. There is about $5,000,000 in the company's cash reserve, and it is likely that a substantial part of this will be divided among shareholders in the shape of a bonus around Christmas time. The shares are selling between $6.50 and $7.00 now, and there is said to be a pool working to get control of all the stock available. The ore reserves of the Hollinger property are estimated by the company's engineer at $50,000,000, while other mining men say that $80,000,000 would be a conservative estimate.

Activity is looked for in Teck-Hugh, which operates on 126 acres next to the Lakeshore property. In the 11 days in June preceding the strike, 986 tons were brought up that yields $15.75 to the ton. At present only a small vein is being worked near the Lakeshore property, and no attempt has been made to explore the remainder of the property. The stock is selling around 20 cents a share, though its high in the past was 62.

May Resume Dividend

Temiskaming has not been paying dividends of late, but a street rumor says that the old dividend rate of 12% will shortly be resumed. Considerable quantities of good paying ore have been turned up lately. McIntyre, now selling around $2.00, jumped to $2.10 as the result of manipulation on Wednesday, and there is some discussion as to what the movement means. The stock is now paying 5% quarterly, which gives a net return of 10% annually at present prices.

The arrangements for the reduction in the par value of Kerr Lake shares to $4 have been completed and a dividend of $1 a share, as tax-exempt capital return, will be paid on Sept. 22 to shareholders of record of Sept. 13. The new par value applies to 600,000 shares of stock formerly valued at par at $5 a share.

Much interest is being displayed in Nipissing on account of the company's activities in the Texas Oil Fields. At present the company has one well sunk to a depth of 2,400 feet. Oil in the area where this well is located is usually struck at 2,800 or 3,000 feet if it is there at all, and another fortnight will show whether the optimism of the Nipissing directors is justified. The stock is selling around $11.50 to $11.60 now, which gives a yield of 17% at present dividend rates. The future of the stock, it is admitted, depends to a great extent on the company's Texas oil fields.

INTERNATIONAL NICKEL

Decline in Operating Income Owing to Poor Market For Metal

Despite the passing of the common dividend three months ago and a reduction in operation to a 33 1-3 per cent. basis, the position of International Nickel Company is not as bad as it was expected the annual report would show it to be under the difficult conditions of re-adjustment. The report for the year ending June 30 has just been published and shows a net income of $174,929. Of this $133,689 went to pay preferred dividends, leaving only about two cents a share on the common stock available.

Operating income was $11,186,305, compared to $16,728,913 in the record year ending March 31, 1917. Current assets are $12,969,589, against which are liabilities of $3,708,963.

The nickel market has not yet steadied down from its abnormal war position. There is no foreign demand for nickel and the domestic demand has been slow to pick up. Until the market broadens and the company's operations can be carried on on an increased scale, it is unlikely that common dividends will be resumed, though the large surpluses available make the company's position a strong one.

ALBERTA MINES OPEN

Coal Workings in Drumheller District Operating Again

Practically all the coal mines in the Drumheller district have opened and are turning out about 3,000 tons a day. Edmonton and Clover Bar mines are working or are just cleaning up preparatory to opening. The Twin City and the Dawson mines are getting ready and will be in operation at any rate by the first of the week.

The Oliphant Munson mine at Mile 47 have a steam shovel working and the rest of the mines out West have not yet started. They are, however, getting ready and will probably be working by the first of the month. The Cadomin mine has already begun mining.

WASAPIKA GOLD

An important find is reported on the 100-foot level in Wasapika gold mine. The width of the ore body is said to be 42 feet, and is in what is known as the Ribble vein. Official assays are to be made immediately.

BOUNDARY MINING

An issue of debentures, amount unstated, has been authorized by the shareholders of the Boundary Mining and Exploration Company. The money will be used for development work on the company's properties west of Midway, B.C., which shows good seams of coal. A large block of the new issue has already been subscribed for by the present shareholders.

CONSOLIDATED SMELTERS

Ore receipts at the Trail smelter from August 22 to 31 totalled 11,551 tons, 7,467 tons of which came from the Sullivan Mine. From October 1, 1918, to August 31, 1919, the receipts amounted to 302,420 tons.

LAKE SHORE

Lake Shore Mine is said to be planning further construction work. At present the mill has a capacity of 60 or 70 tons daily, valued at about $25 a ton. This high yield is the result of the policy of leaving low grade ore in the mine. If the new construction is carried out, both high and low grade ores will be mined, extending the life of the mine and adding to the volume of the output.

CANADA COPPER

Labor strikes on the railway and power and construction units of the Canada Copper Corp., Copper Mountain, B.C., enterprise make it improbable that this mill will initiate production before the Spring of 1920. Original plans called for completion by September, 1919. The stock has declined to around $1⅝ on the New York Curb against $2⅛ high early this year.

MINING STOCK QUOTATIONS

Week Ending Sept. 17.

	High.	Low.	Close.	Sales.
Adanac	13½	11½	11½	53,700
Apex	3⅜	3¼	3⅜	1,500
Atlas	24½	24	24	7,100
Beaver	41½	39½	39½	15,000
Boston Creek	25	24	24	2,500
Crown Res.	42	38¼	38¼	2,600
Dome Exten.	32¼	31½	32	3,050
Dome Mines	14.25	14.00	14.00	250
Gt. Northern	3⅞	3¾	3¾	2,500
Hargraves	2¾	2¾	2¾	4,000
Hillcrest	80	80	80	13
Hollinger	6.80	6.70	6.80	3,385
Keora	20¼	17	17	20,500
Kirk. Lake	41½	41	41	3,500
La Rose	40½	39	40½	10,500
McKinley-Dar.	66	65	66	3,000
McIntyre	2.10	1.94	2.04	31,751
Newray	14½	14	14	4,000
Nipissing	11.75	11.10	11.65	1,375
Ophir	5½	5	5	16,400
Pete. Lake	13	12¾	12¾	2,000
Porc. Crown	34	30¼	30½	23,800
Porc. Tisdale	2½	2⅛	2¼	70,700
Right of Way	3½	3¼	3½	10,000
V. N. T.	23½	22½	23¼	12,600
Schumacher	24½	22	24½	7,082
Teck-Hughes	22	20¼	21	38,300
Timiskaming	43	40¼	41½	20,500
Thomp.-Krist.	8	8	8	8,000
Trethewey	37	33	33	17,700
West Dome	12	10½	11¼	17,100
Wasapika	95	86	95	23,700
Gifford	2⅜	2	2	21,000
Lake Shore	110	108	110	3,000
Davidson	66½	..	..	1,500
Mining Corp.	1.75	..	..	300
Cons. Smelters	30	29	29	549

The president of the Argentine Republic has sent the Argentine Congress a draft of proposed legislation for floating an international loan of 600,000,000 pesos paper for consolidating the national debt.

CARTER-CRUME CO. IS BEING WOUND UP

Shareholders Will Receive Stock in the American Salesbook Company

The plan by which the Carter-Crume Company is being dissolved into the American Salesbook Company for shares of which it served as a holding company, was finally endorsed by the shareholders of the former concern at the annual meeting this week, and the arrangement will now be consummated in due course. It was in 1911 that the Carter-Crume Company sold its salesbook business to the American Salesbook Company, the latter also acquiring two other companies.

At the annual meeting of Carter-Crume shareholders in June, 1917, a plan for exchange of shares for those of the Salesbook Company was approved. It involved the sale to the shareholders the 4,126 preference shares of the latter which were reserved to be sold for the liquidation of the company's liabilities. Now the final plan is being carried out. It provides that for each share of preference stock of Carter-Crume there will be given (a) one and one-tenth shares of 7 per cent. cumulative preference stock of American Salesbook Company, Limited, carrying accumulated dividends of 12¼ per cent., and (b) one-half share of common stock of American Salesbook Company, Limited, of par value of $20. For each share of common stock there will be given (a) one-fourth share of 7 per cent. cumulative preference stock of American Salesbook Company, carrying accumulated dividends of 12¼ per cent., and (b) one share of the common stock of American Salesbook Company of par value of $20.

According to the report presented to the shareholders yesterday covering the two and a half years' period ending June 30 last, the Carter-Crume Company had liabilities to the public of $142,584, against which there were sundry assets amounting to $63,818, leaving a net amount of $78,765 to be provided for. The capital stock was $927,700 preference and $1,250,000 common, or $2,177,700 in all.

MONTREAL AND SOUTHERN

Although no financial report has been issued it is expected that the result of the operations of the Montreal and Southern Counties Railway will be satisfactory to the shareholders. The annual meeting of the company has been called for September 25. With the coming of peace there has been an increase of traffic on all sections of the line, and it is now greater than at any time in the past few years. A satisfactory solution of the company's labor difficulties is expected.

A threatened strike was averted this week by the company granting a substantial increase of about 11 cents an hour to the men, and shortening the hours to ten a day. The road was granted an increase in rates last year on account of the heavy increase in operating expenses.

CANADIAN GENERAL ELECTRIC

After remaining idle since the armistice was signed, the mining properties of the Canadian General Electric Company, near Port Arthur, will be put into operation again shortly. The mines were closed down becauss the company had an accumulation of products on hand last fall, that has since been materially reduced. The Northern Pyrites Mines at Northern Pine Lake will be reopened immediately; the mines at Goudreau are already working, and an inspection will be made of the newly acquired properties at Mokomon Range, with a view to opening them up in the near future.

UNLISTED SECURITIES

Stocks—	Bid.	Ask.
Alberta-Pac. Grain, com.	122	130
Do., pref.	89	95
Belding-Paul, com.	40	45
Do., pref.	88	95
British American Ass.	9	12½
Canada Machinery, com.	20	25
Do., pref.	48	53
Can. Westinghouse	115	125
Canadian Oil, com.	45	50
Do., pref.	95	100
Carter Crume, pref.	65	72
Can. Marconi	3	4
Can. Mortgage	67	72
Cockshutt Plow, pref.	86	88
Dom. Power & Trans., com.	47	55
Dunlop Tire, pref.	95	99
Home Bank	94	98
Illinois Traction, pref.	75	78
King Edward Hotel, com.	57	64
Loew's, Toronto, com.	140	145
Wm. Neilson, com.	54	65
Sterling Coal, com.	15	17
Sterling Bank	100	108
Trust & Guarantee	79	82
United Cigars of Can., pf.	1¾	2¼
Western Assurance	11	14
Whalen Pulp & Paper, com.	25	30
Volcanic Oil & Gas	80	88
Brandram-Henderson, com.	51	56
Massey-Harris	110	120
Bonds—		
American Sales Book, 6s	90	94
Algoma Steel Corp., 5s	70	75
P. Burns, 1924, 6s	100	105
P. Burns, 1931, 5s	96	99
Can. Machinery, 6s	79	82
Collingwood Shipb'ding, 6s	85	90
Eastern Car, 5s	92	95
Mex. Northern Power, 5s	13	15
Morrow Screw, 5s	88	92
N. S. Steel Dbs., 6s	87	93
Ontario Pulp, 6s	101½	..
Porto Rico, 5s	82	85
Sterling Coal, 6s	73	76
Stone, Limited, 6s	94	98
Toronto Power, 5s	90	98
Tor. & York Radial, 5s	97	99
Toronto Paper, 6s	86	92
West. Can. Power, 5s	54	59

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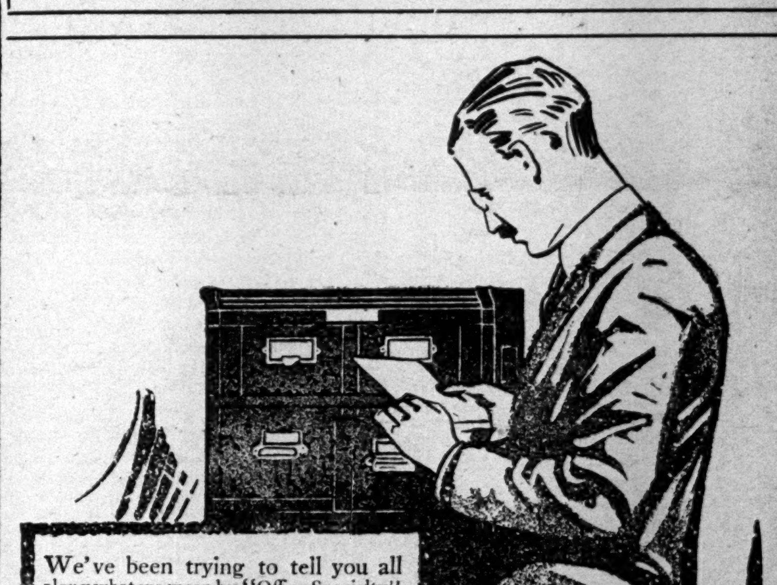

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MONEY BANKING AND EXCHANGE

BANK CLEARINGS ARE WELL AHEAD OF LAST YEAR

Lethbridge is the Only City to Report Lower Returns

WINDSOR GAINS 136%

In the West the Gain is 19% and in the East 35%—Montreal Gains 32.9% and Toronto 40.4%

Returns of bank clearings for the week ending September 18 again show substantial increases over the corresponding period in 1918. The total for the Dominion is $287,766,776, as compared with $217,192,528 in 1918, an increase of $70,574,248, or 32.5 per cent. There is only one city out of twenty-six reporting to show lower returns. Western cities show a gain of $6,596,755, or 19 per cent. Prince Albert shows the largest percentage gain in the West, with a total for the week at $406,122, a gain of 79.3 per cent. Regina comes next with a gain of 54.4 per cent.

In the East the gain for the week is $63,977,493, or 35 per cent. Windsor reported a gain of 136.5 per cent. Toronto with a total for the week at $86,825,974 shows an increase of 40.4 per cent., while Montreal shows a gain of 32.9 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS

(In comparison with same week last year.)

Eastern Cities.

	Sept. 18, 1919		Change	%
Montreal	$ 119,762,786	+	$ 29,698,352	32.9
Toronto	86,825,974	+	24,998,845	40.4
Ottawa	8,422,239	+	615,620	7.8
Hamilton	7,212,173	+	1,777,587	32.7
Quebec	6,434,406	+	2,088,554	48.1
Halifax	4,814,352	+	617,954	14.7
London	3,074,961	+	582,866	23.3
St. John	3,067,742	+	798,136	35.3
Brantford	1,086,385	+	285,777	35.7
Peterboro	1,012,463	+	345,799	51.9
Sherbrooke ...	1,043,289	+	286,707	37.9
Kitchener N...	979,876	+	348,121	55.1
Windsor	2,656,220	+	1,533,175	136.5
Total, East. ..	$ 246,392,866	+	$ 63,977,493	35.0

Western Cities

	Sept. 18, 1919		Change	%
Vancouver ...	$ 14,614,165	+	$ 1,349,092	10.2
Calgary	6,817,439	+	754,590	12.4
Edmonton	4,367,930	+	991,255	29.4
Victoria	2,479,423	+	368,163	17.4
Regina	5,243,804	+	1,845,808	54.4
Saskatoon	2,103,132	+	559,620	36.3
Moose Jaw ...	1,798,007	+	185,030	11.4
Ft. William ..	866,693	+	234,696	37.1
Brandon	799,393	+	224,283	39.0
Lethbridge ...	815,326	—	221,462	21.4
N. Westminster	598,684	+	66,665	12.5
Medicine Hat.	463,792	+	59,643	14.7
Prince Albert.	406,122	+	179,372	79.3
Total, West. ..	$ 41,373,910	+	$ 6,596,755	19.0
Gr. Total	$ 287,766,776	+	$ 70,574,248	32.5
Yr. to date.	$10,227,742,754	+	$1,430,017,952	16.2

COMMERCE

A branch of the Canadian Bank of Commerce has been opened at Ottawa street and Campbell avenue, Hamilton, in charge of C. D. Nevill.

A branch of the Bank of Commerce has been opened at the following points: Chambly Canton, Que., sub-agency to Chambly; Elk Point, Alta., under the supervision of the Vermilion manager; Jasper avenue and 102nd street, Edmonton, Alta., in charge of W. R. Henderson.

MONTREAL

A branch of the Bank of Montreal was opened on the 15th at Ladner, B.C., under the management of H. G. McCullough, with the title of manager, and at Langley Prairie, B.C., on the same date, in charge of J. McD. Reid, with the title of acting manager.

MERCHANTS

A. A. Whidden, recently returned from overseas, has accepted a position on the staff of the Merchants Bank at Hartney, Man.

The Merchants Bank of Canada has opened a branch at Wayne, Alta.

H. Clarke, for five years accountant at the Ingersoll branch of the Merchants Bank, has been transferred to the branch at Stayner as manager.

J. Tackaberry, teller in the Kinistino branch of the Merchants Bank, has been transferred to the branch at Regina.

UNION

The Somerset, Man., News says: "Clifford Shewfelt has gone back to his old position of teller in the Union Bank and everyone is pleased to see him there; this makes three returned men in the Union Bank."

Norman Fallows, Somerset, Man., has been appointed teller-accountant at the Altamont branch.

A. E. Mayers is now in charge as manager of the Macrorie branch. Anent his appointment the "Outlook" of Outlook, Sask., says: "Mr. Mayers has been on the inspectors' staff for southern Saskatchewan and is well-known in this locality, having been at the Outlook branch for some time."

When S. G. Renouf was transferred from Macrorie to Cupar the "Outlook" of Outlook, Sask., remarked: "'He has been manager here for the past six years and his many friends regret his departure, but are pleased to see him get the deserved promotion."

E. Turriff transferred from Rapid City to Ninga, Man., is succeeded by K. R. Bone, of Shoal Lake.

E. B. Ramsay has taken over the managership of the Fillmore, Sask., branch.

The Pas, Man., School Board at their September meeting decided to borrow $3,000 from the Union Bank to meet current expenses.

John Galt, president of the Union Bank of Canada, arrived in London recently on his first visit to the institution's branches since before the war. H. B. Shaw, general manager, who was to have accompanied Mr. Galt to England, but was detained, will sail from New York on the Mauretania on October 2. These two representatives of the Union Bank of Canada go to attend the formal opening of the Park-Union Foreign Banking Corporation in Paris, France. The Paris branch will be opened under the chairmanship of Viscount de Breteuil, who was the liaison officer between General Foch and the French War Office, a man of wide financial influence in his own country. Mr. Carrere, formerly general manager for the Far East of the Russo-Asiatique Bank, will be manager of the Paris office.

ROYAL

W. H. Monk, assistant manager of the Royal Bank at Hamilton, leaves this week for New York to manage one of the branches of the foreign department of the bank in that city.

BANK OF ENGLAND

London, Sept. 18.—The weekly statement of the Bank of England shows the following changes:—

Total reserves, inc.	£ 204,000
Circulation, dec.	226,000
Bullion, dec.	22,073
Other securities, inc.	1,425,000
Public deposits, dec..........	2,949,000
Other deposits, inc.	2,458,000
Government securities, dec...	2,134,000
Notes reserve, inc.	226,000

The proportion of the bank's reserve to liability this week is 23.03 per cent. Last week is was 22.76 per cent.

Rate of discount, 5 per cent.

BUSINESS IN WESTERN CANADA GOOD

Settlers Pouring in, Bringing Capital and Brains to the Prairies

A very encouraging report was brought back by the general manager of the Merchants' Bank, D. C. Macarow, on his return this week from a tour of Western Canada, which included British Columbia, in which he was accompanied by a party of directors.

Mr. Macarow stated that there was a steady stream of settlers pouring into the country, "especially heading for the fertile Peace River district. The large majority of these settlers are American farmers backed with brains, experience and ample capital, and altogether throughout the great Prairie Provinces all lines of business are active and prospering, with a spirit of healthy optimism spreading its cheery influence broadcast. Even in the drought-stricken areas the discouraging troubles of to-day are forgotten in the courageous optimism for to-morrow. A pessimist in the West is indeed a rara avis.

Referring to crops, Mr. Macarow said:

"The period of dry weather which extended over a portion of the months of June and July materially reduced the yield of all crops, particularly in the southern sections of Alberta and Saskatchewan. About the middle of August, however, a welcome, though belated rainfall was general throughout the whole of the dry area, and the resultant improvement in conditions was marvellous. While the dry weather was too prolonged to permit of an average yield throughout the whole of these Provinces, yet even the most optimistic are surprised at the amount of grain which will be threshed. In the central and northern portions of Alberta, conditions are exceptionally satisfactory and record yields are assured. From threshing reports already in, the quality of the grain will be excellent.

"In British Columbia conditions are no less encouraging. The lumber industry in its various forms has now developed into probably one of the most important in the Province. It is in thriving and healthy shape, with a wide, lucrative and expanding market greedily absorbing the product of the mills, all of which are working to capacity, and there is no indication that the market is of an ephemeral nature. The demand for standing timber is equally good.

"The correlated pulp and paper industry has made rapid strides in recent years. Five large plants are now operating in the Province and another is in course of construction—the somewhat unsatisfactory transportation situation and more or less acute labor difficulties of the moment being the only retarding elements in the situation."

SPANISH RIVER

New Scheme For Financing Unanimously Approved

Shareholders of the Spanish River Pulp & Paper Mills, Ltd., this week unanimously approved the new financial scheme regarding deferred interest on bonds and notes. In addition the shareholders expressed satisfaction at the improved position of the company as revealed in the annual report. The shareholders gave their approval to the issue of $5,000,000 of 6 per cent. serial mortgage lien notes, of which $3,500,000 will be offered in the near future. These funds are to be used to liquidate on February 1 next the talons and promissory notes issued in respect of deferred interest on bonds and notes due in 1922, and to pay off on March 1 next the second mortgage debentures maturing 1924. "When these payments have been made," said President George H. Mead in his circular announcement, "the company can consider the payment of dividends upon its capital stock, which otherwise would have to be delayed until the repayment of the deferred interest in 1922."

NEW YORK FUNDS ERRATIC CLOSING HIGHER FOR WEEK

A Sudden Call For Large Blocks Sends Premium Over Four Per Cent.

FRANCE WORRYING

Reported That a Financial Mission Will Be Sent to America to Help Adjust Low Rate For France

The market for New York funds during the past week has shown very erratic tendencies. Opening on Friday last at 2 31-32, the premium gradually rose until Wednesday, when an urgent call for funds sent the market soaring to 4 1-16, a gain of 1 3-32 points for the week. No reason was forthcoming for the unprecedented gain recorded, and it was generally conceded to have been the result of "a tight squeeze," a number of heavy commitments falling due when the offerings were lighter than usual. For a short time on Wednesday buyers seemed willing to pay any premium demanded, and a large volume of business was transacted around 4 per cent. On Thursday and Friday, however, the demands on the market lightened, and though sellers did not like to come down from the high mark they had reached, there was a net decline of about one-half of one per cent.

The market is still nervous, and no prophecy that could be hazarded as to its course in the near future would be more than a guess. Another recurrence of a 4 per cent. rate for funds hardly seems likely though.

The course of the market during the week was as follows:

September 12.—The market was narrow and nearly all transactions were made at 2 31-32.

September 13.—No change was recorded in the market for New York funds, which stood at 2 31-32 all day.

September 15.—An advance of 1-32 was noted in New York funds, and the rate stood at 3% all day.

September 16.—Opening at 3% the market for New York funds early began to rise and successive transactions were made at 3 1-16, 3⅛, and 3¼.

September 17.—There was a wild market in New York funds to-day. Opening at a gain of ¼% over yesterday's close, the rate quickly advanced. A few blocks changed hand at 3⅝, but an urgent call sent the rate to 4% and later to 4 1-16 and there seemed to be no limit to the demand even at this price.

September 18.—Opening at 4 1-16 the market for New York funds fell back to 3⅝ as the result of a falling off in the demand, coupled with large offerings.

Francs reached a very low level during the week and could be bought in New York at 9.24 for the dollar on Tuesday. Towards the end of the week their position improved somewhat. Sterling went as low as $4.12 during the week.

French Planning Mission

It is reported that the French Government has appointed a financial mission to America to study the measures necessary to reduce the heavy loss France is incurring from the adverse exchange rate operating against her in New York. French newspapers are very bitter in their editorial comment on the exchange rate, and one of the more radical organs prints a double-columned heading reading: "The Anglo-Saxon Peace," under which it has in large type: "One Hundred Francs Worth 67 Francs in London and 59 Francs in New York."

The French press declares that the United States could right the situation by the extension of long term credits, and thinks that Americans have not done all they could to help France.

The fluctuations in sterling and francs for the week were as follows:

	Sterling Demand	Sterling Cables	Francs Demand	Francs Cables
Sept. 12	4.16½	4.17¼	8.51½	8.50
Sept. 13.	4.17½	4.18¼	8.65	8.63
Sept. 15	4.17¼	4.18	8.76	8.74
Sept. 16	4.14¼	4.15	9.22	9.17
Sept. 17	4.12	4.18⅝	9.24	9.22
Sept. 18	4.15⅜	4.16	8.95	8.93

Part of a shipment of $22,500,000 in German gold received in London by the Bank of England is said to be allotted to Canada in payment of food sent from this country to Germany.

GREAT ACTIVITY IN A NUMBER OF THE FAVORITES

Continued from page 1

quotation of approximately 99.80

In the mining market there has been less activity, but the price levels have been fairly well maintained with some further advances recorded.

The American Outlook

New York has evidently not had much influence on the local markets this week. Wall Street is watching the labor situation, but the conviction that the strike program is likely to be carried out next week does not seem to have caused any serious apprehension on the part of traders. The effects of labor trouble in the States on the Canadian situation are difficult to foresee. On the one hand there would probably be an increased call upon Canadian steel plants to make up for those cut off from the States, but on the other there would undoubtedly be a reflection upon labor conditions in Canada, not only in steel, but in other trades. Speaking of the situation, Hayden, Stone & Co., New York, says:

The labor situation which, a week ago, looked considerably more encouraging with the prospect that the cooler and saner heads among the union leaders would postpone, for a time, any hasty and ill-considered action, is now assuming a more ominous appearance. The police strike and riots in Boston, the decision to call a steel strike on September 22, and the threat of a nation-wide coal miners' strike in November, indicate that the radical element is still in control. If a several months' truce, as proposed by some of the labor leaders to await the results of the campaign to increase production and reduce the cost of living, or a conference between labor and the employers as proposed by the President are not possible, then probably the matter will have to be threshed out now. As long as organized labor can decrease its hours of work and increase its pay by merely a threat to strike, with no regard to fundamental economic conditions little progress can be made toward the restoration of normal industrial conditions. Some big strike may have to be fought out to a finish and to the complete defeat of the hot-headed, trouble-making element—a thing which, in the long run, would probably be for the best interests of all concerned.

In ordinary times any material advance in the stock market in the face of social unrest, declining commodity prices, and a strained banking condition which, with the demands for crop-moving a little later is almost certain to beome more strained, would be practically out of the question. During the first part of the year, however, it has been proved possible to finance a big bull market on a tight money market. Certainly the public has lost but little of its speculative enthusiasm and appears to be anxious to bid up prices on the least provocation. Consequently, for the present, we are likely to have a market which should prove a profitable purchase on the breaks, and which, in case of any decidedly favorable news, might very well enjoy an advance of considerable proportions.

WANTED

Experienced promoter to form stock company for article in demand. Apply Box 3, The Financial Post, Toronto.

Business Co-operation

THE Bank of Toronto is always ready to encourage healthy business expansion, and offers the necessary financial backing to young men starting in business and to sound business ventures of reliable firms.

It is in the spirit of co-operation that The Bank of Toronto offers its facilities to Canadian business men. Our organization embraces departments for the transaction of every form of banking business.

THOMAS F. HOW,
General Manager

THE BANK OF TORONTO

18

The Legacy of War

Canada's Dead and Missing - - - - -	63,038
Canada's Wounded - - - - - -	149,709
Canada's National Debt - - -	$1,670,263,691
Soldiers' Annual Pensions - - -	$35,000,000

THE WORLD is staggering with debt. Some of the leading countries are verging on bankruptcy.

Five years ago Canada had never dreamed of the financial burden she carries to-day.

Canada entered the Great War with a National Debt of $337,000,000, or $42 per head of population. Canada emerges with a National Debt to date of $1,670,263,691, which is expected to approximate $2,000,000,000 by the end of the fiscal year—or about $250 for every man, woman and child in the country. Interest charges alone will eat up nearly one-half our present national revenue, and soldiers' pensions will have to be provided as well.

Can Ontario Afford to Spend $36,000,000 a Year on Booze?

PREVIOUS to the Ontario Temperance Act the drink bill of the Province approximated $36,000,000 per year, an amount about equal to Ontario's share of the Annual interest on our National Debt. In the face of our financial responsibilities alone, is this the time to repeal the Ontario Temperance Act or relax a single one of its restrictions upon waste of money and man power? To every question on the Referendum Ballot vote—

"No!"—Four Times—"No!"

No Repeal—No Government beer shops—No intoxicating beer in Standard Hotel bars—No Government beer and whiskey shops. Be sure you are on the voters' list. Be sure you mark your ballot four times—X—X—X—X—in the column headed No.

Ontario Referendum Committee

JOHN MACDONALD, *Chairman.* D. A. DUNLAP, *Treasurer.* ANDREW S. GRANT, *Vice-Chairman and Secretary. (1001 Excelsior Life Bldg.)*

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NEWS AND VIEWS FOR MANAGERS

A PROPER BASIS FOR NEGOTIATING FARMERS' LOANS

A Western Manager Gives Some Pointers to Fellow Bankers

POINTS TO CONSIDER

Purpose of Loan, Source of Repayment, Nature and Extent of Assets, Borrower's Character and Ability, Etc.

The following article has been written not only with the idea of helping branch bank managers in their relations with their farmer clients, particularly in Western Canada, but to give wider publicity to points in connection with the basis of banking credit which should be generally understood by those who desire to make a loan. It is by F. W. West, manager of the Canadian Bank of Commerce at Granum, Alta.—J. W. T.

In appraising the merits of a farmer's application for credit, there are many questions that confront the banker. The first query that will occur to him will be: "Is the money to be used for a legitimate banking purpose, that is, to aid production?" If the farmer asks for a loan to buy stock in the Jugo-Slav Gold Mine Company, or some other speculative venture that has never been heard of before—and is not likely to be heard of again—he should be firmly but politely conducted to the door.

Having satisfied himself that the loan is a proper banking investment, and that it is likely to be repaid within a reasonable time, the bank manager's next step is to require from the applicant a full statement of his assets and liabilities, with an account of his farming operations. This statement must be carefully analyzed and the ratio of floating liabilities to liquid assets noted. Similarly the proportion of mortgage debts to fixed assets must be studied, as also the relation of total surplus to total liabilities. The terms of payment of the mortgage debts will require to be clearly shown, and consideration given to the possibility of the customer obtaining a renewal of mortgages that are soon maturing, and the payment of which might embarrass him. Then, if the account is a new one, verification of the real estate holdings must be sought by searching title in the registry office, or by demanding production of titles if the land is clear of encumbrance.

The accuracy of the statement as to mortgage debts and deferred payments will have to be proven, by production of receipts for payments made and the relative agreements for sale, or possibly by correspondence with the loan company. Corroboration of the values placed on the land and chattels must be obtained, either from the manager's own knowledge gathered during his driving trips through the district, or from the branch records, or from some inquiry of some reliable local authority, information should be requested as to the total acreage held by the customer under cultivation, as to proposed acreage in crop and condition of tillage for the current year, particulars as to acreage and yield for the preceding season. If th eloan is important, an estimate of the probable receipts and expenditures for the year should be worked out, and the borrower should indicate how high his total borrowings are likely to run. If the seeker after credit is not already known to the bank, his antecedents must be investigated and reliable information obtained as to his character, habits and ability.

The Question of Security

Having satisfied himself on all these points the banker will next decide if the loan should be made with or without security. In commercial credits, the question as to whether to take security or not does not often arise. Collateral security is a fundamental of good banking and is usually required and given as a matter of course in such accounts. The manufacturer pledges his goods, the wholesaler hypothecates his bills receivable, the grain dealer assigns his grain or his bills of lading, the stock-broker gives his stocks. The farmers alone are the only borrowers, who, as a class, may borrow without security. This is not altogether because loans to farmers are always repaid without trouble, or because the farmer is any more honest than the business man, and because his assets are usually of such a nature that they cannot be readily pledged to the bank. It is true, of course, that owing to somewhat recent amendments to the Bank Act, the farmer may pledge his threshed grain and chattel mortgage his livestock. But he usually has no grain in his possession in the spring or summer, and if he requires advances at these seasons this form of security is not available.

As to chattel mortgages, the farmer seems to have an instinctive horror of, and an inherent objection to this form of security, his feeling being probably handed down from the time of his fathers in Ontario and other older-settled countries, when a chattel mortgage was looked upon as heralding the last stages of financial ruin. It was the boast of many a farmer in Ontario that he never borrowed a dollar, and never gave a mortgage in his life, but these men were not very progressive, and probably their sons have come out West, borrowed all they could get, mortgaged all they had, and made more money in ten years than their sires accumulated in a life-time. Further, chattel mortgages are cumbersome in form and and more or less expensive, and, as a matter of fact the banker doesn't like them any better than does the farmer. Nevertheless, there are occasions when if the banker does not take chattel mortgage security he is negligent in his duty to the bank, and other occasions when his failure to take the mortgage would mean that he had failed in his responsibility towards the farmer.

The manager should always remember that he owes it to the farming community to see that every deserving applicant for credit receives the financial support to which he is entitled. If, then, the banker decides that owing to comparatively heavy liabilities, a farmer is not worthy of unsecured credit, he should consider if the loan may not safely be made on a security basis, such as a chattel mortgage under Section 88 of the Bank Act, an assignment of grain, or perhaps a seed-grain lien. Sometimes it is not possible to extend unsecured credit because of the exemption law, but it would be a pity if this law, designed for the protection of the farmer, should operate, for example, to prevent his procuring good seed. In most cases, the government or the municipality will see to it that the farmer is provided with seed grass, but this form of obtaining relief looks like accepting charity to some farmers, who would much prefer to borrow from the bank. If the farmer has a good equipment of horses and machinery, with a well-worked field of summerfallow, the banker can probably make him a loan for seed-grain purposes, even if his assets are nearly all exempt. A seed-grain lien will give the bank a prior claim on the growing crop, and in most cases insures repayment.

A Difficult Problem

Perhaps the most difficult application comes from the honest and capable farmer, who has borrowed a considerable amount for a season's work, but who finds his plans of repayment from the crop defeated by a crop failure. Take the case of a half-section owner, with a mortgage on his land for say $3,000, a good equipment of horses, cattle, machinery and buildings, a debt of $2,000 to the bank and a near total crop failure caused by an omniscient providence. As it is written in scripture "he hath sown good seed, but he hath sown it in vain," and his enemies, the drought and the gophers, have eaten it.

If his banker were wise, and he doubtless would be, the bank holds a chattel mortgage on his equipment. The loan company have a mortgage on his farm, and he has enough money perhaps to pay part of his outside creditors but nothing to pay the bank, and nothing with which to carry on. The bank has always been his friend and he applies for an extension of the old credit for another 12 months, and for additional advances of $2,000. The banker has every confidence in his customer, but the proposed loan would assume larger proportions than he ever anticipated. However, he is faced with the alternative of realizing on the security and thus crippling a good worker in an essential industry, or of staking the worker for another season. If possible he will choose the latter course, and by taking all available security he may make the bank's position fairly safe, even if some of his security is by way of second mortgage.

To summarize: the banker in order to properly judge the merits of a farmer's application for credit, must keep clearly in mind the following points: purpose of the loan and source of repayment; nature and extent of the borrower's assets and the amount of the liabilities; borrower's character and ability; his past and present methods of farming; and finally, the advisability of obtaining collateral security, and, by so doing, if it will be possible to extend credit to a deserving member of the community.

MEXICAN MAHOGANY AND RUBBER CORPORATION

Bond and Shareholders in this Company (now in liquidation) should read the issue of "Canada" of August 30th, which contains a history of the undertaking and information importantly affecting their interests.

Copies can be obtained from "Canada" Offices, 41 Victoria St., Toronto.

The New Challenge

The goal is not yet reached. Canada's present VICTORY LOAN must be a successful effort.

It is a mutual obligation that it should be so.

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THE

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OF CANADA

MAIN OFFICE

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FUTURE OF BRITAIN'S BIG BANK MERGER

Financial World Waits to See Outcome of Holden's Great Project

LONDON.—The late Sir Edward Holden took advantage of the freedom which the joint stock and private banks enjoyed to turn banking in England into a great monopoly. Practically, the result of Sir Edward Holden's life work has been to concentrate in less than half a dozen hands the most readily mobilisable part of Great Britain's accumulated resources. It cannot fail to have, either for good or ill, very far-reaching influences upon the social, economic and political life of the country, says the "Statist." Whether even yet the policy of amalgamating bank after bank has come to an end remains to be seen. Sir Edward only just lived long enough to see his policy accomplished. The very name of the great institution in Threadneedle Street with which his life's work is associated, was changed so recently as last year, when the Bank completed the latest of its amalgamations. Consequently, it is not possible to say what will be the results, because the work of concentrating in a few hands the banking business of the country, even if completed, has been only so recently conceived that its influence had hardly yet begun to be felt, and the consequences cannot be apparent until a very considerable time has elapsed. Sir Edward Holden just lived long enough to complete the process of banking amalgamation upon a colossal scale, and to bring into a few hands the banking of the country. It may be said that the late Sir Edward Holden built the ship. Who is going to sail it, and is it seaworthy?

It may be contended that monopolies are the tendency of the times in every industry and in every country, but it is evident that they have their dangers. There is, of course, the danger of the improper use of such power as vast accumulations of capital in a few hands; but we are not thinking of that danger. On the whole, our history has shown that public men in this country have done far more harm through incapacity to do right than from a deliberate intention to do wrong. The great difficulty of the future will be to find a succession of men capable of conducting the great banking institutions which have been created in England during the last few years. It will be important to avoid recklessness, but mere caution is not enough, because if England's economic condition is to be maintained, we shall need enterprise on the part of our bankers. It seems desirable that, at any rate for the present, as few amalgamations as possible should be undertaken for some time, until we see what will be the effect of the large number of amalgamations which have already occurred.

Whatever may be the ultimate result of the concentration of the vast banking capital of this country in a few hands, it must be admitted that the influence of the late Sir Edward Holden in these great amalgamations during the past quarter of a century showed remarkable human energy, daring, and enterprise.

DIVIDENDS

Company—	Date.	Rate.	Record.
Crock-Wheeler, p.	Sept. 30	1¾	Sept. 20
Do., com.	Sept. 30	1¾	Sept. 20
Riordon Pulp, pfd.	Sept. 30	1¾	Sept. 24
Imperial Tob., pfd.	Sept. 30	3	....
Do., com.	Sept. 26	1½	....
Sher.-Williams, pf.	Sept. 30	1¾	Sept. 15
Ottawa L., H., P.	Oct. 1	1½	Sept. 20
Sh. Wheat, com.	Oct. 1	2	Sept. 20
Do., pfd.	Oct. 1	1½	Sept. 20
Atlantic Sugar, pf.	Oct. 1	1¾	Sept. 19
Ottawa Traction	Oct. 1	1	Sept. 15
Ottawa Car	Oct. 1	1	Sept. 15
Montreal Tram.	Oct. 1	2½	Sept. 16
Tri-City Rly.	Oct. 1	1½	Sept. 20
Can. Perm, Mtge.	Oct. 1	2½	Sept. 15
Mackay, com.	Oct. 1	1½	Sept. 6
Do., pfd.	Oct. 1	1	Sept. 6
Dom. Iron, pfd.	Oct. 1	1¾	Sept. 13
Dom. Steel Corp.	Oct. 1	1½	Sept. 5
Can. Landed Inv.	Oct. 1	2¼	Sept. 13
Molsons Bank	Oct. 1	3	Sept. 15
Lon. & Can. Loan	Oct. 1	2	Sept. 15
Can. Permanent	Oct. 1	2½	Sept. 15
Brazilian, pfd.	Oct. 1	1½	Sept. 15
Penn. Water & P.	Oct. 1	1½	Sept. 19
Mont. City & Dis.	Oct. 1	$2.50	Sept. 15
Ont. Loan & Sav.	Oct. 1	2¼	Sept. 15
Cons. Smelters	Oct. 1	2½	Sept. 10
Can. Gen. Elec., c.	Oct. 1	2	Sept. 13
Do., pref.	Oct. 1	1¾	Sept. 13
Dom. Glass, com.	Oct. 1	1	Sept. 15
Do., pref.	Oct. 1	1¾	Sept. 15
Dom. Textile, c.	Oct. 1	2	Sept. 15
McKinley-Darragh	Oct. 1	3	Sept. 6
Wabasso Cotton	Oct. 2	2	Sept. 13
Tor. Gen. Trusts	Oct. 1	2½	Sept. 19
Tor. Mortgage	Oct. 1	2	Sept. 15
Huron & Erie	Oct. 1	1½	Sept. 15
Amer. Can, com.	Oct. 1	3	Sept. 15
Nat. Breweries	Oct. 1	1½	Sept. 15
Laurentide	Oct. 1	3	Sept. 22
Cen. Can. Loan	Oct. 1	2½	Sept. 14
Can. Bread, pfd.	Oct. 1	1¾	Sept. 15
National Trust	Oct. 1	2½	Sept. 19
Ill. Traction, pfd.	Oct. 1	1½	Sept. 15
Prov. Paper, com.	Oct. 1	1	Sept. 15
Do., pref.	Oct. 1	1¾	Sept. 15
Price Bros.	Oct. 1	2	Sept. 15
Dominion Bank	Oct. 1	3	Sept. 20
Bank of N. S.	Oct. 1	4	Sept. 15
C. P. R., pfd.	Oct. 1	2	Sept. 2
Do., com.	Oct. 1	2½	Sept. 2
Can. Car, pfd.	Oct. 1	3½	Sept. 26
Can. Woollens, pfd.	Oct. 1	1¾	Sept. 20
Gould Mfg., com.	Oct. 1	1½	Sept. 20
Do., pref.	Oct. 1	1¾	Sept. 20
Dom. Canners, pfd.	Oct. 1	1¾	Sept. 20
Ames-Holden, pfd.	Oct. 1	1¾	Sept. 19
City Dairy, pfd.	Oct. 1	1¾	Sept. 20
London Loan	Oct. 1	1¾	Sept. 15
Ogilvie Flour, com.	Oct. 1	3+15	Sept. 24
Porto Rico Ry., pf.	Oct. 1	1¾	Sept. 20
Lyall Cons.	Oct. 10	2	Sept. 30
West Kootenay, p.	Oct. 1	1¾	Sept. 25
Con. Gas	Oct. 1	2½	....
Shawinigan, com.	Oct. 10	1¾	Sept. 26
Soo Line, com.	Oct. 15	3½	Sept. 19
Do., pref.	Oct. 15	3½	Sept. 19
Bell Telephone, c.	Oct. 15	2	Sept. 30
Asbestos Corp., c.	Oct. 15	1¼	Oct. 1
Do., pref.	Oct. 15	1½	Oct. 1
Maple Leaf, com.	Oct. 18	3	Oct. 3
Do., pref.	Oct. 18	1¾	Oct. 3
Nipissing Mines	Oct. 20	5	Sept. 30
Bank Nationale	Nov. 3	2½	Oct. 15
Penmans, pfd.	Nov. 1	1½	Oct. 21
Penmans, com.	Nov. 15	1¾	Nov. 5

THE PACKER'S DOLLAR

Wall Street Journal

If a business man, desirous of cutting down expenses, should discover that his costs were divided into three general charges, comprising 85%, 12.96% and 2.04% respectively of the total, would he turn his attention first to the 2.04% charge, or even the 12.96% charge? Of every dollar that the American public pays for packing house products, 85 cents passes through the packer's hands to the stock raiser, while 12.96 cents go to pay expenses, labor and freight, and only 2.04 cents remain as the packer's profit. Which of the three would seem to offer the best opportunity for a material reduction in the cost to the public?

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A QUALITY PERENNIAL

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A119

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The untimely death of your partner will mean the winding up of his estate for the benefit of his heirs. Most of that estate will probably be in the business, and the heirs have the right to demand their share at once, in cash. Suppose they do; where will you be, and what will happen the business?

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Commercial Protection Policy

meets this very case. YOU can't make a satisfactory provision against this possible calamity, because it is uncertain. It may not happen for years, and it may come to-morrow. The Commercial Protection Policy is the only possible way whereby the demand will be met in full and at once.

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TORONTO, SEPTEMBER 20, 1919

STOP THE WASTE AT OTTAWA

THE evidences of waste are many and striking to anyone who watches closely the course of Government expenditure. In the Army and Navy Department, in the handling of our national resources and in our public services, leaks are gravely numerous when the ever-increasing burden of public debt is considered. But perhaps the most oppressive and useless example of waste is in the over-staffing of Government offices.

It is common knowledge that many Government departments are so overcrowded with employees that, like fish going up the British Columbia rivers to spawn in the old days, they actually impede one another's progress. It is no exaggeration to say that one-third, if not one-half, of the employees at Ottawa and in branches of the Government offices throughout Canada could be dispensed with, and in any properly managed commercial concern would be dispensed with, to the increase of efficiency as well as the saving of money.

The Printing Bureau, for example, is notorious for the number of useless employees it carries, many of whom are long past the age of service. There is not one of the many departments here where an efficiency expert would not begin by a wholesale discharge of unnecessary help. In the stopping of national waste, it would seem to be up to the Government to set the pace.

The lead in the thrift campaign should come from the Government and it should establish a Stop the Waste branch or department to exercise supervision of the resources of the Dominion; to preach economy privately and publicly; to warn the people that this three billion debt is **their** debt; and to enlist their co-operation in a campaign against waste of every kind, from the scraps thrown into the garbage can to the tit-bits still thrown to importunate politicians.

SIR ADAM'S LATEST PROJECT

THE plan of the Hydro-Electric Commission for the taking over of the Toronto and Eastern Railway as outlined by Sir Adam Beck has better possibilities from the business standpoint than his proposals to parallel privately owned lines and put them out of business by public-ownership competitive methods. However, whether Sir Adam will prove more efficient as an operator than Mr. Hanna, remains to be seen. In any event, his statement that eight millions to equip the line could be raised by the municipalities, and that the road "would not cost them a cent," indicates that he expects that blind support from the municipalities to which he has become accustomed.

Even those who have nothing but admiration for the general policy of the Hydro-Electric, must regard with common-sense apprehension the extent to which the whole undertaking is under the one-man domination of Sir Adam. A leader whose forcefulness as a politician is recognized and whose energy has won a lot of admiration. Sir Adam's ability as an engineer, as a financier and as an executive—and he dominates in the roles of all three—is still to be satisfactorily proven, if it is not, in fact, in serious question.

Take the recent action of the Hamilton city council, when that body of business representatives of the citizens carried a report providing that "The Hydro-Electric Power Commission of Ontario be asked to survey, lay out, construct, build, equip and operate a railway"—being the Red Hill cut-off branch—without providing any check or control upon the expenditures involved.

Further, the report authorized the commissioner "to forthwith acquire lands for yards, sidings, and other facilities for railway traffic east of the city of Hamilton, and provide yards for the accommodation of the T. H. & B. Railway Company." This resolution too, was accompanied by what amounted to a blank cheque to cover the amount—estimated at anything from $300,000 to $900,000.

Nor did the people's representatives enter into the proposition without realizing what they were doing. In fact, the council refused to adopt an amendment providing that estimates of the cost be obtained. This latter point is particularly emphasized by the Hamilton *Herald*, which does not object to the Red Hill cut-off and the rest of the work authorized, but does think that some notion of the cost should be obtained before it is gone on with and that there should be some check upon expenditure.

Truly, as the *Herald* remarks, Sir Adam has reason to be proud of the implicit faith he has inspired in the members of the Hamilton city council. And the guardians of public finance in Hamilton are little if any less watchful of the civic interests than those of many other municipalities in the Province. In fact, the attitude towards Mayor Carter, of Guelph, who dared to retain control of the city's thousands until the ratepayers have authorized him to endorse the changes in the Hydro by-law, was nothing short of intimidation. Ontario municipalities badly need more representatives with self-reliability courage and judgment.

LEAVING IT TO THE GOVERNMENT

THE danger of paternalism on the part of the Government is strikingly illustrated in the following incident recorded by the Moose Jaw *Times*:—

> The other day in a small town in south-west Saskatchewan, in a district where the crops have been a failure for this and two preceding years, and in which the farmers are in need of relief from the Government, a man was endeavoring to hire a man and team by the day. The man with the team was holding out for $10 per day, and the man with the work to do was not willing to pay that much: he could not afford to do so, he said; and the man with the team could not afford to work for less, he said. The result was that the man and team remained idle, the work was not done, and the $10 also remained idle—tied up, as it were, in a napkin. The man with the work to do said to the idle man with the idle team: "Your crop is a failure, your farm work for this year is about completed; you are in need of money; what are you going to do to pay your way through the coming winter?" The man with the idle team answered: "Oh, the Government will have to keep me." This is not a fable. It is an actual experience of a responsible man who had work to be done and the money to pay for it.

Of recent years there has been a dangerous spread of this dependence upon the Government, of the assumption that the nation has some unlimited sources for the creation of wealth for the benefit of the people. Since the war it has been fostered by such legislation as the seed grain grants, various forms of war moratoria, and guaranteed prices, and has culminated in the demand for a $2,000 gratuity for the returned men.

The Government has finally called a halt and has put its foot down firmly on the gratuity agitation. Ethically, there would seem to be no reason why it should not be met in the same spirit as have previous demands for special consideration by portions of the community. In fact, the men might well have considered that they could reasonably expect compliance. The same principle was involved. The Government has realized, however, that what it can do for the few, it cannot do for the many, There must be a limit to paternalism and the Government has decided that the limit has been reached. This is not in criticism of that decision, but rather to point out that if paternalism could have been checked sooner, the final crisis would not have been so serious.

EDITORIAL NOTES

WE ARE inclined to the opinion that Lloyd George did not give sufficient study to the failures which have marked past efforts to secure a stable or influential circulation for a publication which is distributed free of charge before launching 'The Future." In brief—if he had he wouldn't.

* * *

THE LAUNCHING of Lloyd George's free paper in England reminds us that a somewhat similar venture in Canada *The Official Record* is being discontinued. People are speculating as to the mission and purpose of *The Future*. So far as the *Record* was concerned it was generally accepted that it had no other justification than to provide a job for M. E. Nichols.

* * *

THAT if there was a war-time expenditure of $2,500,000 in connection with power supplied by the Hydro Commission for war purposes, it should have been included in the price, is the sound contention of the Hamilton *Times*. The extra cost, it is argued, was certainly part of the cost and if it was not paid for then the power was being sold at a loss instead of at cost.

* * *

WHEN the counsel for the Court of Commerce proceeds to add the percentage profits on turnover for five separate months together to get the profit for the five months—on the basis that, say 4 per cent. in each month would be 20 per cent. for the period—he gives an indication of just about how much business common-sense is being employed in the inquiries.

* * *

AT A meeting of the fire and lighting committee in Brantford, it was decided to refuse to pay the bill of the Hydro-Electric Commission for street lighting unless there was an immediate improvement in the service. Hydro service must be poor indeed to so arouse public opinion.

* * *

COMMISSIONER O'CONNOR may gain popularity by suggesting that the Davies Company should cut its prices in two, to increase business, but he seriously weakens any arguments there may have been for his appointment.

* * *

THE BEST argument against Government ownership of the railways which has come to the ears of C. Wilbur Miller, a prominent American industrial executive, was from a railroad trainman who contended that he had never heard of a letter carrier who became postman, but that there were instances of brakemen who had become presidents of railways. He continued:

> "Under such conditions, there is hope for me to advance to any rank my ability may justify. Were the railways under the control of politicians, I would be a brakeman to the end of the chapter. The higher and better paid positions would be the spoil of party politics."

* * *

THAT the argument of THE FINANCIAL POST against the fixing of an artificially high price for wheat by the Government was, in principle, also an argument against tariff protection, is the contention of the Regina *Leader*. When the *Leader* fails to recognize the difference in principle and in actual effect upon all the people of taking money from the pockets of the taxpayers to place in the pockets of the wheat producers and of putting a levy upon imports to reduce the burden of all the taxpayers it confirms our opinion of its knowledge of political economy. There will always be more consumers and taxpayers than there are farmers, because the latter are themselves one section of the former.

BRITISH PEOPLE NEED NOT WORRY ABOUT AMERICA

Head of Large English Brokerage House Prophesies That England Will Be Better Off Than America in Ten Years

Is England losing its grip on the world's trade? Is London giving way to New York as the world's financial centre? Is England "out of it" as a great commercial nation? These questions have been asked by every observer of the world's economic turmoil. Frank A. Vanderlip, in his book: "What Happened to Europe," published in THE FINANCIAL POST a few weeks back, painted a picture of an England torn by industrial quarrels, suffering from a dilapidated transportation systems, and cut off, for a time at least, from the European commerce that will be her only salvation. Other critics have been more pessimistic as to England's future.

Now England has found a champion. E. Mackay Edgar, head of the firm of Sperling & Company, who recently returned to London from a trip to America, has published an article which he calls, "An Answer to Mr. Vanderlip," and he has given an interview to the English press, in both of which he emphatically denies that England is on the retrograde commercially or financially, and in which he tells America to look to her own future. "We in Great Britain have little to fear from American competition," he says. Mr. Edgar, by the way, is a Canadian, having gone to England some years ago to enter the financial world. He is now one of the leading experts in the city.

Mr. Edgar expressed his views as follows:

"Don't think that I am 'crabbing' America. That would be absurd in view of her size, wealth, resources, and the industrial character and aptitudes of her people. Her position is a very strong one. But so also is ours. The point is that we see and know our own weaknesses and difficulties, and we do not see hers. But America has some pretty considerable troubles ahead of her and some very heavy handicaps to overcome. In my opinion we stand a better chance of getting through the rough waters than she does.

Effect of Exchange Rate

"Take, for instance, this question of the American exchange. It looks a very bad thing for us when the pound is only worth about seventeen shilling in New York, and so in a way it is. But it is very much worse for the Americans. It means that we cannot afford to purchase in the United States, that we will buy anywhere except there, and that we will only take such American goods and products as we are physically unable to get from some other country where the exchange is less adverse. The fall in the value of the pound as measured in dollars is the biggest obstacle to American exports that anyone could desire.

"And America just now wants to export all she can. She is loaded up with goods and products, the output of which has been enormously stimulated by the war. She has paid extravagant and utterly uneconomic wages to produce them, and she has done so on the expectation that Europe would have to purchase them at any figure. But the European demand is falling off, largely because of the chaotic state of the exchanges. America, therefore, finds herself congested with merchandise that she cannot market. What is she to do? She must either sell at a loss or cut down production. In either case there is bound to be a drop in wages. And when wages begin to drop, then look out for squalls.

"Our difficulties so far as labor and the cost of living are concerned are nothing to America's. Everything there—production, prices and wages — has reached such a sky-high level that the drop when it comes—and it will come—will be nothing less than a crash.

Americans Unexperienced

"I often heard it debated across the Atlantic whether New York is going to become the financial centre of the world. I am confident that it will be a very long while before the supremacy of London is shaken. America has the money but she has little else. She has not the experience or the facilities or the geographical advantages that we have for conducting the business of international finance. For generations the commerce of the world has got itself transacted through London; the channels have been cut very deep and they will not be easily changed. London to-day is as predominantly the centre and clearing house of international trade and finance as she ever was. Moreover, you can get a safe 8 per cent. almost anywhere you like in America. Why should an American investor forsake the, say, 8 per cent., backed by securities with which he is familiar and on which he can keep an eye, in order to put his money into some foreign enterprise at a greater risk and with a lower return?

"Or take, again, shipping. I have large shipbuilding interests in Great Britain, and I say quite simply that I do not fear American competition. Why not? Well, in the first place, because their yards cannot turn out, and will not be able to for a long while to come, the special ships for the purposes of special trades which are the backbone of the British mercantile marine. Secondly, because their costs of construction are very far ahead of ours. Thirdly, because their expenses of operating a ship are also, owing to legislation, at least 30 per cent. heavier than ours. Fourthly, because they have not even the beginning of that wonderful network and organization of shipping agencies which our own people have built up round the world. Fifthly, because a mercantile marine, which is a necessity to us, is a luxury to them. Sixthly, because the instinct of the sea has been very greatly impaired and because the ordinary American can always get a better paid and more congenial job on land. Ten years from now we shall have won back all that the war has forced us to yield, and American shipowners will be very gladly transferring their ships to British register.

IS REPUDIATION OR ANNEXATION TO BE CONSIDERED?

Continued from page 1

changed to 20% from property and income and 80% from consumption. We must go still further and get not less than 50% of our revenue from property and income.

Hon. Mr. Fisher in his address, mentioned above, pointed out some of the ways in which we could meet our difficulties. Service to Canada is necessary for everyone; and everyone must do his best work. It should be the aim of Canadian workmen to make things better. The Japanese never mind how much time they spend in this way. They study the best in all countries. In less than a generation Japan has become one of the most advanced industrial countries in the world. Scientific organization and investigation was the way in which they found the best. That is the way for Canada to utilize her wonderful natural resources. One of the most important bodies in Canada to-day is the Committee on Scientific and Industrial Research.

Hon. Mr. Fisher said that Canada has a lack of man-power engaged in useful, productive labor. We have far too many people in the work of distribution, or in producing amusements, rather than in real production.

We have only five great sources of wealth: the mines, forests, fisheries, agriculture and manufacturing. Railroads and shipping are necessary; but there are far too many people engaged in distribution, and not enough in production. One of our efforts should be to see whether we cannot turn 20% of those engaged in distribution into production.

We must apply our brain-power to our man-power. We must cultivate scientific methods to prevent waste and utilize all our products to the best effect. Organization and co-operation are necessary, particularly the latter, which will reduce the cost of production. Sume business men were afraid of it, just as the Lancashire people were afraid of the spinning-jenny and smashed up the machines at first; but the result had been a great increase in work, labor and wealth.

Problems of Production

The big question to be faced is not one of wages, but of production, and the more scientific our methods, the greater the production and the wages. The high cost of living is primarily due to the lack of production. Produce more and the cost of living decreases, while wages go up. In the Orient, where wages are low, they do not produce nearly as much as in the Western world, where the wages are high. They pay high wages there; but they also have scientific organization.

One of the big ways of saving is the proper use of our natural resources. The time will come when, if the power and the profits are not mis-applied, our water powers will produce better and cheaper power than coal. No country on earth has such a chance to develop industrially as Canada, if we will eliminate waste and do things scientifically. The proof is what we accomplished during the war. Half a million men were taken away, yet our production increased enormously in all lines. In the Province of Quebec, for example, they produced far more food than ever before, because they applied machinery and business methods and used their heads more than their hands. Our manufacturers deserve great credit for the things they accomplished in the war; and they can do as well in peace time. These are the ways in which Canada can, not only meet her interest charges, but pay off her debt also.

One of the ways to eliminate waste was in increasing efficiency of motion, a subject on which an English writer, Mr. Gildreth, had recently published some instructive information. He found out, for example, that the time in bricklaying could be reduced two-thirds without actually doing any more work by the elimination of needless motions. In a case where labels were pasted on bottles by girls, the rate was increased from 24 labels in 40 second to 48 in the same time. The girl doubled her earnings, and the profits of her employers simultaneously.

That is the sort of thing we must do in Canada nationally. We must not devote too much time to frivolity and amusements; and we will neither have to repudiate our debt nor join the United States.—T.M.F.

PERSONALS

C. H. CAHAN, K.C., of Montreal, was among those upon whom Dalhousie University conferred the honorary degree of LL.D. at its centenary convocation. Mr. Cahan is a graduate in Arts and also in Law of Dalhousie.

HERBERT HOOVER, according to the Manchester "Guardian," has been the nearest approach to a dictator Europe has had since Napoleon. The "Guardian" states that Mr. Hoover was in supreme economic command when economics were more important than politics, and that Eastern Europe looks to him as a new prophet.

HENRY P. DAVISON, of J. P. Morgan & Co., was the purchaser some time ago at the record price of $170,000 of the bronze statue entitled "La Frileuse" ("The Shivering Girl"), by Houdon, the eminent French eighteenth-century sculptor. The statue is notable and the price is the highest ever paid for a Houdon work. It is now one of the decorative features of Mr. Davidson's Georgian country home on Long Island.

G. S. CAMPBELL, who will undoubtedly be Victory Loan chairman for Nova Scotia as in past campaigns, is now an LL.D., having been given the honorary degree at the convocation of Dalhousie University last week, on the occasion of the centenary of the college. He has for some time been chairman of the board of governors of the university and has always been prominently identified with public effort in commerce and education. His father was a noted literary man, author of Campbell's history of Nova Scotia.

W. CROMWELL GURNEY, president and general manager, of the Gurney Foundry Company, Ltd., Toronto, died very suddenly on Wednesday afternoon in Toronto. He collapsed in the office of his physician while there for routine treatment, and passed away shortly afterwards. Mr. Gurney was one of Toronto's best known business men, having succeeded his father, the late Edward Gurney, as president of his company on the latter's death a few years ago. He was a member of the Canadian Manufacturers' Association and the local Board of Trade.

D. LORNE WEBSTER, president of the Quebec Railway, Light, Heat & Power Company, has been appointed a director of the Montreal Tramways Company. Mr. Webster's services are in growing demand as a member of the governing boards of companies, as he already is a member of the directorate of Nova Scotia Steel & Coal Company, St. Lawrence Sugar Refining Company, vice-president of the Travelers' Life Insurance Company, a director of the Quebec-Levis Ferry Company, vice-president of Goodwins Limited, also of Holt, Renfrew & Co., the Crown Trust Company, the Canadian Import Company and others.

J. R. GENIN, who died this week was a prominent figure among the French-Canadians of Montreal. Coming to Canada as a child he later founded a brokerage firm and established the house of Genin, Trudeau & Company, manufacturers and importers. Later he was at the head of the firm of Duchesneau & Duchesneau, fancy dry goods and toys. One of the dearest desires of Mr. Genin was to promote trade between Canada and France, and he was the first representative of a shipping firm that carried on a direct trade between the two countries, and he was the founder of the Union Nationale Francaise. His business ability was recognized in his appointment as President of the Chambre de Commerce of Montreal.

CHAS. R. HOSMER was given a warm welcome back this week when he returned to his simple offices in the C.P.R. Telegraph Building on Hospital Street, from which he directs so many powerful industrial and financial movements that centre in Montreal. He had come back from his annual sojourn at St. Andrew's, N.B., but prior to this he had been almost completely severed from direct contact with the life that gives him keen satisfaction through a long illness, in which two operations were necessary before his slow recovery was certain. Mr. Hosmer's activities reach their most influential outlet as a director of the Canadian Pacific Railway, and as President of the Ogilvie Flour Mills Company — which does he value most?—and also as a director of the Bank of Montreal. The presidency of another very successful textile company, Canadian Cottons is his also, and he is vice-president of a great pulp and paper organization, the Laurentide Company, to say nothing of being at the head of the Kaministiquia Power Company and many more "too numerous to mention," as might fittingly be remarked in this case. One of the first acts of Mr. Hosmer on his return was to approve of the declaration of a bonus of 15% on the common stock of the Ogilvie mills, an event, by the way, that is fast becoming a "hardy annual."

HERBERT G. WYLIE, general manager of the Pan-American Petroleum Co., who has been made managing director of the British-Mexican Petroleum Co., is described by the "Wall Street Journal" as the man with the "bing" and "go" who puts the detail punches into the Doheny enterprises. Doheny has the swing, but Wylie has the bing. Over oceans and international boundaries they talk by cables and telegrams with no time for letters. They have as little time for conferences as Carnegie and Schwab had in building the great Carnegie steel works. Years ago Wylie was a Y.M.C.A. worker in California. In the last 20 years he has put more muscular Christianity into Mexico than any other missionary — commercial or ecclesiastical. The justification for the belief that the oil business of the Mexican Petroleum and the Pan-American companies is to be quickly doubled may be found in the name of Herbert G. Wylie. But it is difficult to say where one may find Wylie except that he is always on the jump. He was last heard from flitting between Ireland and England. Now he is on the Atlantic Ocean; next week he may be on the Pacific Coast. A few days later he may be planning pipeline construction in Mexico and the next month he may be at the launching of an oil tanker at the Fore River Works of the Bethlehem Steel Co., with sharp inquiry as to when the next tanker will be off the ways.

DEPENDABLE INVESTMENTS

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SUGGESTIONS ON REQUEST

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

OIL PROMOTIONS

J.W.M., Toronto.—I am enclosing literature in connection with a number of oil propositions. Should be glad to have your opinion as to their value as investing propositions.

The companies referred to are not known locally. They may have speculative possibilities, but we believe are more likely to belong to a large number of such projects which are being floated in the United States and which should not be considered except by gamblers. We are inclined to the belief that if they started their advertising in Ontario they would be proceeded against by the Attorney-General like those other companies which have been in the local courts recently.

LOAN COMPANIES

Investor, Haysville.—Will you kindly give me your opinion of the Trust and Guarantee Company and of the Great West Permanent; is the latter a strong paying company with a bright future?

The Trusts and Guarantee Company appears to be getting along nicely under conservative management.

The Great West Permanent Loan Company held a great deal of city land in Western Canada. Most of this property has risen in value in the past year or two, and if the management has taken advantage of the improved situation the company's position should have been strengthened considerably, possibly a necessity in view of several questionable investments they have made. The question of whether they are strong paying companies with a bright future is entirely one of management, as in any mortgage company, shareholders should consider themselves as partners.

DOMINION PERMANENT

Haysville.—Is there any chance of the Dominion Permanent ever, or in the near future, paying any sum whatever on the debentures issued.

The Dominion Permanent Loan Company is still in the hands of G. T. Clarkson, the assignee. He has made no public statement of late, but gives us the following information concerning the company's position:

An offer was made about a month ago for the principal asset of the company, the Spokane and British Columbia Railway, but after inspecting the line the prospective purchaser withdrew his offer. An effort is now being made to lease the line or get an option on it, but if this effort fails the line is not worth more than scrap value. The outstanding mortgages of the company have been largely collected, realizing but a small amount.

The company's real estate in Grand Forks, B.C., is worthless, and would not bring enough to pay the outstanding taxes. Other assets include a claim against the C.P.R., which may produce $150,000, but which in any event would take time to collect. There is no certainty that the claim can be substantiated.

Claims against the contributories and stockholders are now being pressed, and an effort will be made to collect dividends that have been paid, the outcome of which is uncertain.

There is also a suit against the directors for misfeasance. All these directors are dead, but two of them have estates valued at several hundred thousand dollars.

LA ROSE MINES

H.L.D., Truro.—I would like to have your opinion of La Rose. Would it be better to sell what I have for what it will bring or should I hold for possible betterment?

Our opinion is that you would be justified in holding La Rose, the indications being that the future will show a better market for the Canadian silver stocks than is prevailing at the time being. Of course it is a speculative proposition, and nothing is assured, but we are inclined to believe that the future tendency should be to higher rather than to lower levels.

GOVERNMENT BONDS

H.L.S., Ontario.—I hold $400 of the third War Loan 5 per cent. due 1937 and $200 of the 15-year 5 per cent. loan due 1931, together with $1,300 of the fourth and fifth loans at 5½ per cent. Is the third loan exchangeable at par on the new loan to be issued next month, and if so what steps must I take to effect this exchange? Would it be advisable to sell those bonds which have appreciated in value and put the whole thing into the new loan?

The market for Government War Bonds, and practically all other securities, has of late been very unsettled. We have discussed your proposition with a number of those closely in touch with the situation, and there appears to be a difference of opinion as to the advantages or disadvantages of a sale of the outstanding issues of the present time in order to pave the way for a reinvestment in the forthcoming loan. We are inclined to think that it will probably not make any great difference and that there will be an adjustment of values as between the new and old issues on the basis of the success of the forthcoming campaign. About the only technical point of real significance which should be definitely considered is that the bonds which you are now holding are tax exempt while the new issue will be subject to taxation. If, then, you have a comparatively large income and are subject to a substantial income tax—or would be if you invested in the forthcoming loan—then it would be to your advantage to retain the bonds you now hold. If, on the other hand your income would not be sufficiently large if you changed to the new issue to entail a heavy tax, you would probably gain an advantage by selling what you hold and buying the new issue. The point here is of course that the investor who could buy from you would be willing to pay you a better price for the old issue than the new one would command because of this advantage in regard to taxation.

ASSOCIATED GOLDFIELDS

P.G.L., New Brunswick. — Would be pleased to receive your opinion of Associated Gold Fields stock as an investment, also what are, in your opinion, the future possibilities?

We would not advise a purchase of Associated Goldfields except as a speculative buy. The company has not issued stock certificates but has issued trust certificates to those on its subscription lists. Until the stock is issued and listed it will not be possible to judge intelligently of trading values. If this is much longer delayed there may be a flood of the shares on the market as soon as they are issued, which would send prices down. It is not considered that the company's property has as yet shown potentialities that would make the stock a good buy for a long hold on an investment basis.

MacKAY

W.B.M., Ontario.—What is your opinion of the Mackay Company preferred stock? Is it a good buy at the present time? Is it a good sound investment or is it more speculative? Is the common stock a good buy at the present price and what per cent. does the common pay at the present price and what does the preferred stock pay?

MacKay preferred is regarded as a good sound investment. The rate of dividend is 4 per cent., and as the stock sells at about 65 the income is 6 per cent. The common stock offers an attractive speculative buy at 77½ and 78, yielding about 6 per cent. at present rates of dividends. There is little chance for a rise in the preferred with a dividend rate of only 4 per cent., but the common has good prospects, and if you are willing to take a slight risk, there are good chances.

OAKOAL COMPANY

E.G.M., Ontario.—Will you please advise me as to your opinion on the prospects of the Oakoal Company of 43 Scott St., Toronto? Please also advise as to the concern's financial standing.

The Ontario Oakoal Company, Ltd., controls the rights and patents for the provinces of Ontario and Quebec for the manufacture of Oakoal as a substitute for anthracite coal. The process entails the manufacture of briquettes, which are a mixture of anthracite coal dust, garbage, street sweepings, and city and trade waste. It is one of a number of companies which have appeared in the market in recent years for the manufacture of what might be called substitute fuel, and considerable public attention has been secured because of the high prices now prevailing for coal. The Oakoal Company, of Ontario has a small demonstrating plant in operation and proposes the erection of a $60,000 plant this year which would have an output of 200 tons per day. The cost per ton for producing Oakoal is given at $4 to $6, and it is claimed that its fuel value is equal to that of anthracite.

If the company can succeed in turning out a satisfactory substitute for anthracite coal at the prices indicated it would appear to have a future. However, it remains to be seen whether these claims can be justified either as regards cost or fuel properties. For the time being then it can only be regarded as a speculation and should not be approached in the spirit of a conservative investment.

DOMINION MANUFACTURERS

Investor, Locust Hill. — I would like your opinion of Dominion Manufacturers, Ltd. What is the preferred stock worth at the present time? Would you advise buying it as an investment? Is it speculative or is it a safe investment for trust funds?

Dominion Manufacturers stock may be regarded as a fairly good speculative buy at the present time. The company is a combine of the National Casket Company and several other coffin manufacturers, and claims to have a monopoly of the business in Canada. Last year 15 per cent. was earned on the amount of preference shares outstanding, but 4 per cent. only was paid. There is a lawsuit pending for $100,000 damages, claimed by H. J. H. Eckardt, the former manager. It is said that there have been several transactions in the preference shares lately at around 60 and 65. One of the larger banks made a loan a short while ago, taking the shares as collateral to the extent of $40 a share.

NATIONAL MILEOMETER

C.D.K., Ontario.—Would you kindly give any information you can regarding the National Mileometer Co., Ltd., of Detroit. Do you consider it a good gamble?

The National Mileometer Company was organized recently to manufacture and market the Mileometer, a patented road map, which plots auto routes on long rolls of paper, fitting into a steel case attached to the steering wheel of an automobile. The authorized capital was $350,000, in $10 shares, and of this about $300,000 has already been taken. The remainder is now offered at $12.50 a share. The president of the company is George Reid, of London, Ont., and there are other Canadians interested, although most of the stock has been subscribed for by Americans.

The company sales campaign has just started, but we are not in a position to judge of the extent of their market. It is eventually aimed to plot all the principal highways in the United States and Canada, but at present only about 35,000 miles has been mapped. There is a nice potential income from advertising here, as the rolls show all the principal hotels and garages on the route, and no difficulty has been experienced in getting advertising for the rolls already put out.

The stock is not yet in the investment class, but it looks to be a "good gamble." If the company intends to plot all the auto roads in America—and this will be necessary to make their invention universally useful—it is doubtful if the $350,000 capitalization will be enough, and in the event of an increase in authorized capital the original shareholders may be given the opportunity of increasing their holdings, a privilege which might be very advantageous if the public takes up the Mileometer as quickly as they have taken up other auto accessories in the past.

Letters to the Editor

Editor, THE FINANCIAL POST,
Toronto.

Dear Sir,—In your issue of August 23rd, under the caption: "Did Farmers Play Politics," referring to the advanced price to be paid for wheat, you state:

"There is a feeling that the farmers of the West forced the hand of the Government. At a recent meeting of the Wheat Purchasing Commission at Winnipeg, at which the case of the growers was heard, it was claimed by some growers that the cost of producing wheat was $23 per acre and unless the Government gave the equivalent of the United States' set price, farmers would refuse to harvest their crop."

The meeting at which these statements were made was an open meeting at which anyone was privileged to express their views. Neither of the men who made those claims were farmers nor had any connection with farmers' organizations. One was engaged in the grain export trade and his estimate of the cost of wheat produced at $23 per acre is well within the mark. The man who threatened that unless the farmers got what they wanted they would strike, used to be connected with the grain trade in Winnipeg, but now resides in Eastern Canada.

The claim of these men was given wide publicity, as representing farmers' views. The surprise is how much comfort newspapers take in attributing to organized farmers statements made publicly by adventurers.

In the same issue, under the sub-heading: "Some Comparison," after quoting a resolution presented to the Union of Canadian Municipalities at the convention in Kingston recently, attributing the high cost of living to the wasteful methods of distributing goods from the producer and manufacturer to the consumer, you say:

"The fact that the producer is getting $24.50 per hundred for hogs, where he formerly got $6, might perhaps have as much to do with the matter of the increased cost as the efficient handling that gives to the packer 5-16c per pound on bacon and the retailer a bare 5c a pound."

When the farmer was getting $6 per hundred for hogs at abattoir points, the consumer was getting bacon at 25c a pound, a difference of 19c between producer and consumer. When the farmer is getting $24.50 per hundred for his hogs, the consumer is paying 65c a pound for bacon, a difference of 40½c. The hogs went through the same process of curing and the bacon the same system of distribution on both occasions. Can you explain why the difference?

Yours truly,
R. McKENZIE,
Vice-President,
Canadian Council of Agriculture.
Winnipeg, Aug. 26, 1917.

In reference to the last paragraphs of this letter, while inclining to question seriously the correctness of the retail price, we are quite ready to admit that there has been an increase in the spread between the buying price of hogs and the selling price of bacon during the past years. We are asked to explain that difference. We would, therefore, suggest the following reasons:

With the increase in price from $6.00 to $24.50 there is a corresponding increase in loss on each pound of shrinkage. There is a shrinkage of, roughly, 30 per cent. between the live weight and the dressed rate, and consequently the cost of the finished product increases in a proportional ratio. The dressed carcass of a hog costing 6 cents alive would thus be 8 cents a pound, and the bacon from this carcass would be sold by the packer at about 15 cents a pound. A hog costing 24½ cents a pound alive would produce a carcass costing approximately 32½ cents a pound. The spread between the live cost and the dressed cost in the first instance is 2 cents a pound, while in the case of the higher-priced hog it is 8 cents a pound. It is a plain matter of proportion.

In the past four years there has been an increase in labor costs of upwards of 100 per cent. that must be covered in the cost of the finished product. This item in the spread is, therefore, more than doubled.

The demand now is for finer cuts, the poorer cuts selling at a very low figure. In other words there is a far wider range in price between the poorer and better cuts than there was when bacon was selling in the neighborhood of 25 cents a pound. At the 25-cent figure the spread was, roughly, about 3 cents, at the present time it is, roughly, 20 cents. As the profit must be made on the whole carcass, the decline in value of the one must be met by an appreciation in value of the other, which again accounts in a measure for the increased spread referred to.

Lastly there is the fact that the packing business now as opposed to the day of $6 hogs entails the use of about four times the money formerly required in making the same volume of purchases, it is evident that the interest on the difference in the monies used is in itself an important factor. These items, we believe, will account for the increase in spread between the price of the hog and the price of the bacon, referred to by Mr. McKenzie.—Editor.

PRODUCTION AND PRICES

Editor, THE FINANCIAL POST,
Toronto.

Sir:—We read with interest yours of 29th August, and we agree with you that "efforts to cut the cost of living are superficial."

The Government would do well to talk facts and to tell the people, from the wage-earner to the millionaire, that there is but one method to reduce the cost of living, and that is to produce enough of everything for the people's needs. It is folly to try to control or regulate a thing that does not exist.

If the Government could supply cheap food, clothing and shelter by legislation without producing it why then do they not relieve us all of any duties whatever and legislate us all of everything we need?

Every necessary of life must be produced by faithful effort, and if every person from the farmer up is bound to get a living without work, then the answer is easy, famine in everything.

There is only one solution to the whole problem and that is instead of working eight hours per day, producing only 80 per cent. of the requirements of the people, there must be a working day of eleven hours; this will give 10 per cent. of a surplus. This and this only will correct the problem. This does not mean labor only, but it means that in every calling everyone must put more effort into production and the problem is solved.

It is a waste of time to investigate the producing concerns only to find that under the present conditions of things with shortage of every raw material prices cannot be reduced. Greater production should be the watchword of the Government and not investigation.

Yours truly,
S. M. SANDERS.
Exeter, Sept. 6, 1919.

AS OTHERS SEE US

PROTECTING THE INVESTOR IN ONTARIO

Chatham Planet

The action of Attorney-General Lucas in checking the operations of oil well promoters in the west is important in that it indicates the policy of the Ontario Government to protect the investors of the country against flotations which do not conform with the statutes governing their activities. THE FINANCIAL POST, which does not always agree with the Government in power at Toronto, has the following to say of the Attorney-General's latest action:

"In emphasizing the fact that an ounce of prevention is worth a pound of legislation, it is only fair to the Government that credit should be given for the effective efforts of Attorney-General Lucas to check the operations of the oil well promoters whose advertising in Canadian newspapers has been taking on the complexion of the campaigns which have accompanied the flotation of millions of worthless securities in the United States. Despite the fact that there is not provided in this case all the legislative preventives which might well be on the statutes—largely because measures proposed at last session were side-tracked—a policy has been adopted which promises to make it extremely difficult for oil fakers to operate in Ontario on any extensive scale."

There are a number of people in this county who have experienced a great deal of hardship in connection with the investments they have made in the defunct Standard Reliance Loan Corporation. At present an investigation is being made by the liquidator into the causes for the failure, and it is certain that the Government will be called upon to institute a thorough probe into the whole matter should it be found that there is even the suspicion of malfeasance on the part of the people responsible for the failure.

If this application is made, it should by all means be granted, and there is no doubt that it will. It is only thus that the Government of Ontario can prove itself sincere in its expressed desire to protect the investors of the country. All existing legislation provided for the protection of investors should be rigidly enforced, and, if it is not sufficient to insure sufficient protection, further enactments should be added. And if it is possible to prevent a repetition of disasters such as the Standard Reliance failure the Government will only be performing its duty in employing the watchful eye. The prosecution of those responsible for the present calamity is necessary not only in the interests of those directly affected, but also as a warning to others who may have like designs upon a trustful public.

The Attorney-General has made a good lead through his activity against the oil well speculators, and a continuation of this activity in all branches of public investment will be a welcome thing to the people of Ontario.

PLUMB PLAN APPLIED TO BANKS

American Banker

A heretofore obscure attorney of the railroad men grabbed fame by the throat the other day and won transient recognition. He is the sponsor, if not the originator of the Plumb plan for the nationalization of the railroads of Uncle Sam's domain.

As most people have a fair idea what the railroad workers want, we will not repeat their demands except to call attention to their moderation. The railroad workers only ask for one-half of the profits resulting from the operation of the railroads when they could just as well ask for all. What buccaneer would be so thoughtful as to give back to their victims one-half of the loot? And see how generous they are to the stockholders, who are to be allowed 75 per cent. of the par value of their holdings in the form of Government bonds, drawing 4 per cent. interest, when they might just as easily confiscate every share in the name of the dominant proletariat!

It now transpires that the Plumb remedy for transportation evils is not a specific, but a panacea, and will be applied to banks and mines as well as all instrumentalities of production. When the banks of the country get a dose of the Plumb elixir the generosity and magnamimity—not to speak of humanity—of Mr. Plumb and his clients will produce thrills of gratitude among the stockholders of the banks.

Before that time comes it would pay such men as J. P. Morgan, C. H. Sabin, George M. Reynolds and other equally prominent bankers to enroll themselves as porters or messengers in their own banks and establish claims to recognition as "workers." They might then come in for a share of the spoils!

BIG MEN WORK LONG HOURS

"Forbes' Magazine."

The biggest jobs in America are not 8-hour jobs. Judge Gary, Chairman of the United States Steel Corporation, does not come down to his office unusually early and leaves, as a rule, between 4 and 5 o'clock. This does not mark the beginning and the end of his working day. Every now and then you can pass Judge Gary's home in the early hours of the morning and see a light, indicating that the head of the greatest industrial enterprise in the world is hard at work. Not long ago, the Judge delivered a wonderfully comprehensive, well-thought-out, ably written address before a learned body, and someone who became interested in finding out how long it took to compile so effective a paper finally learned that Judge Gary got out of bed at 3 o'clock one morning, took paper and pencil, and had the whole thing finished by breakfast. He gets up at any hour whenever he feels moved to get through a piece of work which calls for solitude and deep thinking. On such occasions he will sometimes work 7 or 8 hours at a stretch, from 1 or 2 in the morning until 8 or 9 or even 10 o'clock — and then go through another day's work at his office.

J. Gordon Greenshields
Richard O. Johnson
Russell D. Bell
Charles M. Black

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RSC INVESTMENT SERVICE

Why the Discount on the Canadian Dollar?

The current issue of *Investment Items* is devoted to a readable explanation of Foreign Exchange, with particular reference to the present American and Sterling Exchange situations.

Among other things, it explains why the Canadian dollar is worth only about 96 cents in payment of American goods. It indicates also how this discount can be overcome.

The issue is of timely interest to business men and Investors.

A copy mailed you on request without obligation.

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NEWS OF THE BOND MARKET

ISSUE PRICE PAR WITH ALLOWANCE FOR SOME INTEREST

Net Price of New Loan Seems Likely to Be About 99.80

MARKET IS CLOSED

Some Municipalities Are Regretting That They Did Not Act Sooner—Preparations For Loan Campaign

While the terms of the forthcoming Victory Loan are not yet available officially, it is being accepted in bond circles that the price will in all probability be par with an allowance of accrued interest as from November 1st. This would mean a net quotation of approximately 99.80, and this for a 5½ per cent. Dominion of Canada bond is considered as sufficiently attractive to investors. That the loan will reach the proportions of success which are hoped for, however, without a strenuous campaign, is more than the organizers are looking for, and a selling machine is being perfected, built upon past efforts, which will make a very thorough canvass of the whole country. In the rural communities particularly, the energies of the canvassers will be to bring home not only the attractiveness of the bond as an investment, but the necessity of supporting the Government financially if the necessary national credits are to be established for the continuance of a prosperous export trade; this argument also applies equally to the residents of the city, but in the past they have been quicker to respond.

That there will be difficulty in explaining the taxable feature of the bond to the great bulk of prospective investors is being realized by the organizers. Strange to say, this change, which only affects the large investor, and which was largely influenced by the argument that the people would not countenance another tax-free issue, seems likely to work out something like a boomerang unless the educational effort is very thorough. A great many people do not grasp what the change involves and some are even under the impression that it is the investment itself and not merely the interest therefrom which is to be included in the gross income that is subject to assessment after the various exemptions allowed under the act.

This income tax feature must not be neglected, however, by the present holder of Government bonds who may be considering the advisability of realizing upon them for re-investment in the new loan. There will be, of course, conversion terms—probably par and interest for those above par and issue price in the case of the others—but it is not expected that there will be any great volume of bonds turned in under this arrangement. However, there is some attraction to the small holder of long term bonds in selling on the present market, as this would give him an opportunity to realize upon his premium and re-invest in the new issue. This advantage is a reflection of the fact that the tax-exempt bonds have a higher valuation in the eyes of the large investor than the new taxable one, while the man with small or only reasonably large holdings is not affected. The margin of benefit, however, will not be very great, there being certain evidences that the large investors are realizing that with such a thorough campaign in connection with the new loan they will have to make subscriptions which will reasonably correspond with previous subscriptions and they will, therefore, be prepared to support the new loan despite the advantage which might be gained by buying the previous issues on the present market.

The General Situation

With practically all efforts in the bond field directed to the campaign there is very little current business being transacted, although there will continue to be a certain amount of over-the-counter trade with the majority of houses, while it is reported that one firm which has not entered into the general arrangement is doing a considerable business. New flotations are, of course, discouraged by these conditions, and municipalities requiring funds will either have to organize for private sales or depend upon the banks to carry them through. The following from THE FINANCIAL POST'S Halifax correspondent indicates that conditions prevailing in Ontario and Quebec are general to the Maritimes, as they are, in fact, to all Canada.

In the Maritime provinces there are a number of towns which are now mourning the fact that they did not sell issues that had been authorized for them while yet there was time. Now they cannot sell the issues at all, for the bond dealers are under an obligation not to buy till after the war loan is cleared up. One town that has an issue of about $100,000 is in need of the money, and even if they could sell, the price they would receive would be fully $5,000 less than they could have realized if they had come to terms when they were advised to do this by those in a position to know what was likely to happen. They lost the chance and now must pay the penalty. The market is practically clear of municipal issues and the brokers are putting in the time in preparation for the big canvass.

LEGAL, ENGINEERING MUNICIPAL BUREAU

Effort Being Made to Form Union of Municipalities in Quebec

An effort is being made to organize a Provincial union of municipalities for Quebec under the wing of the Canadian Union of Municipalities. This has been done in several other provinces in Canada with excellent results, it is claimed by those who are fostering the movement in the Province of Quebec. It is pointed out that such a body would be the best means of communication for the newly organized municipal department of the Government of Quebec with the various municipalities, and on the other hand, that this influential body would secure for individual municipalities a hearing before the legislative body that might otherwise be denied it.

One of the practical suggestions that will be made will be the formation of strong legal and engineering central departments, where the services of experts in each line would be at the disposal of every member of the municipality. The costs of these bureaus would be borne by the different municipalities, and thus each one would be able to secure for a minimum of expense the advice of the ablest men in the Province along these lines, whose fees otherwise might make consultation impossible.

MOOSE JAW'S FINANCES

A Good Showing for First Six Months of Year

A very interesting table showing actual and estimated revenue and expenditure for the city of Moose Jaw during the first six months of the current year was issued by City Commissioner Mackie. The table shows that the actual expenditures of $436,415.15 fell considerably below the estimated expenditures of $442,476.95, while the actual revenue of $295,331.50 was in excess of the estimated revenue of $289,097.07.

CLAIM UNPAID TAXES

Alberta Government Sues C. N. R. For $150,000

Unpaid taxes to the amount of $150,000 are claimed by the Alberta Government in an action against the Canadian Northern Railway and the Canadian National Railway. This action is to recover amounts claimed to be due by these railway companies, under the act to supplement the revenues of the province, in the years 1913 to 1918, inclusive.

When the act was passed exemption was made of the lines of railways whose bonds had been guaranteed by the Government of the province for a period of 15 years. The Canadian Pacific railway has been paying taxes on its lines since the act was passed, but the C.N.R. claimed they were not required to pay taxes on their main line from Lloydminster to Edmonton, notwithstanding the fact that this line had never been assisted in any way by the province. The Dominion Government was notified at the time of the taking over of the C.N.R. of this claim for taxes by the province.

TAXING LAND BANK BONDS

A Strong Effort Made to Continue Exemption Feature

CHICAGO.—The validity of Federal Land Bank bonds and Joint Stock Land Bank bonds will be tested in the courts in the trial of a case filed in the Federal Court at Kansas City.

Former Chief Justice Charles E. Hughes has been retained to represent the holders of Federal Land Bank bonds. The United States has instructed the district attorney at Kansas City to appear and defend. The Joint Stock Land Banks will be represented by former Attorney General Wickersham and by Hon. W. G. McAdoo, former Secretary of the Treasury. The great legal talent employed by parties who desire to continue the tax exemption of farm loan bonds shows that they consider the case critical as well as of supreme importance.

DEBT PREVENTION GREATLY IMPROVES MONTREAL CREDIT

New System Justified, Declares Late City Treasurer, in Report

REVENUE $16,606,445

Over $3,000,000 Increased Taxation During Year—More Than $11,000,000 From Realty Tax

The new system of paying its civic debts each year as they accrue, which was inaugurated with the coming into office of the new Administrative Commission of the City of Montreal, receives credit in the annual report of the City Treasurer which was issued this week. This may be considered as coming from a disinterested but well-informed source, as the former City Treasurer, Mr. De Serres, who was chosen when the Commission assumed office, and was a member of that Commission, retired early this year after placing the city's finances in a much better footing than had been the case for many years. The change, as has been pointed out before in The FINANCIAL POST, has had a beneficial effect on the credit of the city, and was undoubtedly responsible for a good share of the marked improvement in the price that city bonds have realized during the past twelve months. The former official declares that he believes that it will not be long before all the city's issues can be placed locally. Indeed, during the past year by far the greatest portion of the $16,000,000 of Montreal bonds that were sold went into Quebec Province hands. The words of Mr. De Serres are as follows:

"The financial position of the city at the beginning of 1918 was not of the best; the revenues were not sufficient to meet the expenses. The previous administrations had adopted the policy of borrowing to cover deficits instead of increasing the rate of taxation. This policy is bad from all points of view and had the effect of lowering the credit of the city of Montreal considerably. The Administrative Commission, of which I was a member, decided that the administration of the city should be established on a different basis, and had the courage to apply to the city of Montreal the principles which are in active use in every well organized business.

"The only way was to reduce the expenses as much as possible and to levy tax rates which would produce sufficient revenue to meet expenses.

"Instead of—as had been done previously—first fixing the revenue to be collected and then spending it all or even exceeding it, the commission first estimated the amount of the probable expenses for the year and then created sufficient revenues to meet the expenses.

"The economies realized in the business of the city by the adoption of the principle which I have just mentioned, have re-established equilibrium in the finances of the city. This had an immediately favorable effect on the city's credit.

"It is well known that the city's bonds are now quoted higher than they were some time ago, and I believe it will be possible for the city to place all its issues locally in future.

"There exists an anomaly in the law in regard to the city treasurer. He should not be a member of the Administrative Commission; the two functions are absolutely incompatible and should be separated. I hope they will be.

"During my term of office, I directed my energies more particularly towards improving the department of which I was chief. The reforms which I was able to accomplish concerned particularly the means employed. I have been able to make considerable improvement in these methods; consequently this department is now administered on a business basis."

Holders of municipal securities other than those of the City of Montreal will welcome the improved situation that has been created in that great municipality, for the slipshod manner in which financing was conducted for many years exercised, an injurious effect on other municipal councils, and the depreciative effect on City of Montreal bonds necessarily recoiled upon scores of other municipals.

Big Realty Tax

The most of the improved revenue was due to the imposition of a special tax on real estate that was carried last year and this as well only after the determined opposition of the Proprietors' League. The total revenue for the year amounted to $16,606,445 as compared with $13,470,801 for the preceding year, or an increase due to higher taxation of $3,135,644. Of this total the realty tax amounts to $11,784,217, including current and arrears.

Settlers are coming into Western Canada twice as fast as last year, according to immigration reports. The number entering Canada between Port Arthur and Kingsgate, B. C., was 2,537 last month, as compared with 1,898 in August, 1918.

Two by-laws were voted on recently by the Levis council, raising the property tax from 1⅙ cents per dollar to 1⅓ cents. Water taxes were raised from 12½ per cent. to 19 per cent.

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SEALED tenders will be received by the undersigned up to 6 p.m. on Monday, September 29th, 1919, for the purchase of $3,000 of Influenza Epidemic Debentures, dated September 15th, 1919, bearing interest at 6% and repayable in five equal annual payments of principal and interest.

The highest or any tender not necessarily accepted.

R. T. CUNLIFFE,
Secretary-Treasurer

DEBENTURES FOR SALE

VILLAGE of Arthur—To complete Hydro-Electric System, $6,000, 30 years, 6%, equal annual instalments, $435.89. Approved by the Railway and Municipal Board. Sealed tenders up to Sept. 27th, 1919. The highest or any tender not necessarily accepted. For information apply to

D. T. SMALL,
Clerk,
Arthur, Ont.

St. Mary's will vote on three by-laws at the January municipal elections: (1) for a memorial to fallen heroes; (2) for a Great War Veterans' Club House; (3) for a Park Commission for the town.

A by-law has been introduced into Moose Jaw city council providing for an increase of 15% on the assessment of all improvements.

FIELD OF MUNICIPAL FINANCE

MOVE TO SECEDE BEGUN BY NORTH TORONTO PEOPLE

After Seven Years With City Suburb is Asking Dis-annexation

OPPOSING VIEWS

Claimed by Opponents of Secession That Movement is a "Bluff" to Force Purchase of Metropolitan

After threatening for several years to secede from the City of Toronto if their demands for improved transportation facilities were not met, residents of North Toronto have commenced an active campaign to bring about the suburb's dis-annexation from the city. Petitions are being circulated which, when signed, will be presented to the Lieutenant-Governor of the province, praying for a law creating North Toronto a separate municipality. North Toronto was a separate town until 1912, when it was annexed to the city of Toronto. Since then there has been continual squabbling between the city and the suburb over the question of transportation.

Advertisements published by the North Toronto ratepayers state that North Toronto, with a population of 12,000 people, pays taxes amounting to $554,000 yearly, and gets almost nothing in return. The advertisements claim that the taxes are 100% higher than in any other city or town of similar size in Ontario.

On the other hand, civic officials claim that North Toronto has received more from the city than its taxation would warrant. Among the improvements that were paid for entirely or largely by the city and which benefited North Toronto, are three large new schools in the district, the Duplex Avenue extension and the Mount Pleasant Road, each costing many thousands of dollars. "North Toronto, with one-sixth the area of the city, pays only one-fortieth of the taxes," said a member of the city council, living in North Toronto, but opposed to the dismemberment of the district.

Financial Aspects

According to expert legal opinion, the city of Toronto can lay no legal restrictions in the way of the proposed secession, if the citizens of North Toronto favor the move and are able to get an Act passed through the Provincial Legislature. The city, however, will claim a return of most of the large capital expenditures made in the district since it was annexed, and should the Legislature favor the proposed change a board of arbitration will have to be established to settle the complicated financial situation that will arise.

Just how sincere the movement is is a matter of opinion. Richard L. Baker, president of the North Toronto Ratepayers' Association, states that the motive of the proposed secession is the procuring of better transportation for the district, but refuses to state whether or not action would be withheld if the city should consent to the purchase of the Metropolitan Railway before the Legislature meets.

One of the leaders of the opposing forces states that the entire affair is a "bluff" staged to force the purchase of the Metropolitan railway by the city. "To attain this end the North Toronto ratepayers have established a Soviet in their district, and are endeavoring to suppress the free expression of the other side of the case," he said.

PLAN MODEL VILLAGE

But Will Quebec Province Supply Enough Money, Is Question

Quebec City is considering a proposal to establish a model garden suburb near the city. The village would cost $1,500,000 and it is proposed to organize a company with a capital equal to 15 per cent. of this amount, the remainder of the $1,500,000 being loaned by the City of Quebec from its share of the Provincial Government's fund of $7,000,000 voted for housing in the province. The question has been raised, though, whether or not the city's share of the provincial housing fund would amount to the necessary $1,275,000, and until this is known no further steps will be taken by the City of Quebec.

PORT ARTHUR UTILITIES

Port Arthur's public utilities show a deficit for the year ending December 31, 1918, of $9,320.72, according to the city auditor's report, just issued. This shows a decrease from deficits in former years, which were: 1915, $56,081.96; 1916, $60,900.10; 1917, $52,171. The report points out that reserves for the depreciation of assets are still inadequate.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Sept. 22, Vermilion, Alta.—$20,000, 6½ per cent., 20-year, for fire hall erection and additional equipment.—H. P. Long, Sec.-Treas., Vermilion.

Sept. 27, Village of Arthur.—$6,000, 6 per cent., 30 years, equal annual instalments $435.89, to complete Hydro-Electri System.—D. T. Small, Clerk, Arthur, Ont. (See announcement, page 13.)

Sept. 29, Three Rivers.—$80,000, 6 per cent., interest payable semi-annually, 30 years.—Arthur Nobert, Treasurer, Three Rivers, Que. (See announcement page 13)

Sept. 29, Coronation, Alta.—$3,000, 6 per cent., epidemic debentures, repayable in five equal annual payments.—R. T. Cunliffe, Sec.-Treas., Coronation, Alta. (See announcement on page 13.)

BY-LAWS PASSED OR DEFEATED

York Township.—$211,315 for streets, sidewalks and sewers, etc. Passed by Council on Sept. 15.

Toronto.—$500,000 for school sites and buildings. Passed by Council on September 11.

Brantford.—$50,000 to carry on work of the Ontario Housing Act in the city. Passed by Council on Sept. 8.

Edmonton.—$5,000,000 of consolidated debentures against tax arrears. Passed by Council on September 3.

Niagara Falls, Ont.—$200,000 to carry on work of Housing Commission; $63,000 for addition to school. Passed by Council on September 2.

BY-LAW TO BE VOTED ON

Sept. 30, Vancouver.—$465,000, for school purposes; $100,000 for road work, etc.; $160,000 for repair of Connaught Bridge, etc.

Sept. 22, St. Catharines.—$17,400 to acquire certain lands in the Township of Grantham for the purpose of establishing a cemetery; $10,000 for the purpose of establishing athletic and recreation grounds.

DEBENTURE NOTES

Cobourg.—A by-law to grant the Douglas Packing Company $5,000 towards securing an adequate supply of water for their new plant just established at that point, was carried by the property-owners of Cobourg recently, with only 34 dissenting votes. The new industry has just erected five new buildings on the site of the old steel plant.

Walkerville.—The Town Council has voted to request the Ontario Government to advance $1,000,000 to relieve the housing shortage in the community. Approval was given to an advance of $10,000 to the Hydro Commission pending sale of debenture securities for that amount.

Municipality of Pipestone.—The rural municipality of Pipestone, Ont., which was to have made a telephone debenture issue of $10,500 this month, has postponed the sale until January next, on account of the Victory Loan sale coming on next month.

Kitchener.—The Finance Committee favors the raising of $30,000 for repairs to its waterworks system, and $46,000 for the payment of the addition to Victoria School.

Brockville.—Eight hundred and seventy-eight ratepayers voted for and only one against the by-law to purchase the W. H. Wood property for $4,500 for a factory for the Brockville Paper Co.

Pickering.—When Pickering Township guarantees bonds to the extent of $300,000 and Scarboro Township guarantees $900,000 of bonds the Hydro line from Pickering to the Union Station will be commenced, Deputy Reeve Crocker told the Birchcliff Ratepayers' Association.

New Glasgow, N.S.—Ratepayers have passed by-laws for the issuance of debentures to the amount of $50,300 for various local improvements. Of this amount, $3,800 is for payment of the Halifax Relief Fund.

Barton Township, Ont.—School trustees of school section No. 3 have been given authority to issue debentures to the amount of $45,000 for the erection of a new school on Wellington street. Ratepayers will also be asked to sanction the expenditure of $60,000 for other further school improvements.

Manitoba.—Hon. Edward Brown, Provincial Treasurer, announced recently that in addition to a sale of treasury bills announced some weeks ago to the amount of $500,000 for the purpose of the telephone commission, the Government has agreed to authorize a further issue of $750,000. The Telephone Commission will get $250,000 of this $750,000 for the purpose of good roads and $250,000 for the construction of the first section of a Provincial Hydro system. The bills in question will mature on the 1st of February, 1920, and are subject to a discount rate not to exceed five per cent. per annum net to the province, and are payable in Canada only.

BOND SALES

$22,200 Abitibi debs. at 102 to 100; $17,125 Asbestos at 78 to 77; $2,000 Can. Car at 96 to 93½; $7,000 Can. Cement at 99¾; $4,000 Can. Cottons at 85; $10,300 Cedar Rapids at 89 to 87; $2,000 Can. Bread at 95 to 94½; $1,000 Con. Rubber at 97; $13,000 Dom. Textile at 99¾ to 99; $2,500 Elect. Development at 90½ to 90; $2,000 Montreal Trams. debs. at 70½; $15,200 Montreal at 102 to 101; $1,000 Lake of Woods at 101; $9,000 N. Electric at 85¾; $27,000 Ogilvie at 103; $10,600 Penman's at 90 to 89¾; $2,500 Price Bros. at 85¾; $5,000 Quebec Rly. at 64 to 63; $2,100 Steel of Can. at 100 to 99; $1,000 Riordon at 96; $1,000 N.S. Steel at 84; $1,000 Span. River at 105; $21,500 Wayagamack at 85¼ to 85; $367,300 Victory Loan (1922) at 100⅜ to 100⅛; $687,250 (1923) at 100⅜ to 100⅛; $39,300 (1927) at 102¼ to 102; $893,050 (1933) at 104⅛ to 103⅞; $457,200 (1937) at 105⅛ to 104⅞; $32,600 War Loan (1925) at 98¼ to 97¾; $23,000 (1931) at 98⅞ to 98¾; $76,500 (1937) at 100½ to 100¼.

'PEG DEMANDS SHARE IN PROVINCIAL TAXES

Province Takes Away City's Sources of Revenue, Claims City Solicitor

There is controversy in Winnipeg between the civic government and the provincial government of Manitoba over the question of the dividing line in taxation. The city has applied to the legislature for permission to impose a civic income tax, and the municipal authorities are now asking why they should not share in the revenue from automobile licenses, amusement tax, telephone tax, etc.

The case for the city is presented by City Solicitor Theodore Hunt, who stated before the city's legislation committee:

"The Provincial Government is gradually taking our sources of revenue for themselves and leaving us high and dry. "Automobile licenses net the province a huge sum, one-third of which is paid by Winnipeg. We derive no benefit from this source, but we have to maintain our roads regardless of the fact. The largest share of the amusement tax is paid by Winnipeg, and we are also losing $12,000 a year because the telephones have been provincialized. The Winnipeg system supports the entire province."

It was pointed out by one of the aldermen, that is in England the revenue from the issuing of automobile licenses is divided between the municipalities for the upkeep of roads, only enough for operating expenses of the Government Bureau being retained.

INCORPORATING GEORGETOWN

Two Thousand Mark is Passed in Population, Bringing New Status

The village of Georgetown, Ontario, has recently passed the 2,000 mark in population and steps are now being taken towards its incorporation as a town. The Board of Trade is already making arrangements for the elections to municipal offices, which will be held in January if the incorporation is not delayed. The town's population is now 2,060, an increase of 100 over the mark shown two years ago, when an active campaign was begun for the necessary 2,000. Georgetown is on the G.T.R. and the Toronto Suburban Railway and is supplied with Niagara power. Its industries include three paper mills, two knitting machine factories, boots and shoes, saw mill, gloves, foundry and carriage factory.

INCOME TAX CRITICIZED

Welland Council Also Decides to Purchase Local Electric Railway

Welland city council has inaugurated a movement to have every municipality in Ontario petition to have the income tax minimum raised from $1,700 to $2,000. It was pointed out by members of the council that people are working on shorter hours and lower wages this year, and yet paying income tax on last year's high wages and overtime work.

Instructions were given by the council for an audit of the books of the local electric railway line with a view to the ultimate purchase by the city. The mayor said that $350,000 was the price asked by the railway.

WINNIPEG'S TAXATION

City Applies For Permission To Impose Income Tax

Winnipeg has applied for permission from the Manitoba Legislature to impose a civic income tax. In submitting its request, the city pointed out that its present revenue is obtained as follows: realty tax, $5,428,540; business tax, $375,436; local improvements, $1,083,901; civic revenue, $106,500, and licenses, $510,760. Twenty-five per cent. of this income is devoted to school purposes.

Twenty per cent. of Winnipeg's total rateable assessment is exempted from taxation, according to the statement. The assessment of the city is $236,023,520, and exemptions total $41,694,970. The Canadian Pacific Railway properties, which head the list, are assessed at $8,524,660.

TORONTO'S EXPENDITURES

City Has Credits to All Branches of Its Government

Toronto has spent $17,346,172 so far this year out of the total amount provided by taxes of $26,019,258. None of the large spending departments has exceeded its estimates as yet, the only deficit being a small one of $1,000 in the appropriation for special grants. The larger estimates and the amount at their credit are as follows:

	Amount Available	Expend.	Credit.
Bd. of Educat'n.	$3,750,000	$2,175,000	$1,575,000
Local Board of Health	545,860	332,940	212,920
Police Dept.	1,183,838	714,585	469,253
Debt charges	8,759,706	7,105,718	1,653,988
Fire Dept.	1,608,075	1,232,080	375,995
War grants	1,451,485	951,579	499,906
Waterworks	1,063,850	741,789	322,061

McDOUGALL & COWANS
(Members Montreal Stock Exchange)
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OUR CHARGES

Our charges for the management of an estate are no more and often less than those of a private executor. They are fixed by the Surrogate Court Judge when he audits the estate accounts. The amount which he allows, as the Order of the Court reads is: "a fair and reasonable allowance, for our care, pains, trouble, and time and personal disbursements expended in and about the administering, arranging and settling the affairs of the said estate."

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TORONTO GENERAL TRUSTS
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We believe that the forthcoming Loan will be the last opportunity offered by the Government to the Canadian people to buy a Dominion of Canada 5½% bond at par.

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"We run our plant 24 hours a day, and, therefore, appreciate the Automatic Switchboard, which is always in service—day or night —Sundays and holidays.
Because of the Automatic we actually save $200 a year on trunk lines, and $2,100 a year on operators' salaries.
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TENDERS
CITY OF THREE RIVERS
PROVINCE OF QUEBEC

Public notice is hereby given, that the Council of the City of Three Rivers will receive until the 29th day of September inst. (1919) at four o'clock P.M., at the office of the Undersigned, Arthur Nobert, Treasurer of the City of Three Rivers, written tenders for the purchase of debentures of said City of Three Rivers, amounting to Eighty Thousand Dollars ($80,000), issued under By-law Chapter 357, duly approved according to law, dated November 1, 1917, maturing in thirty years from their date, bearing interest at the rate of six per cent. per annum, payable semi-annually on the first day of May and November in each year, at the office of the Bank of Hochelaga in the cities of Three Rivers, Montreal and Quebec.

The said tenders will be considered at the public meeting of the Council of the City of Three Rivers or one of its Committees, Monday, the 29th September, 1919, at eight o'clock P.M.

Every tender must be accompanied by a certified cheque equal to one per cent. of the total amount of the issue.

After the opening of the tenders, the cheque deposited by the tenderers whose offers are not accepted, shall be handed back to them without delay; that of the tenderer whose offer is accepted, shall be handed back to him after the execution of his contract.

Every tender shall specify whether the price offered does or does not include the interest accrued on the bonds at the time of their delivery. The Council of the City of Three Rivers does not bind itself to accept any tender.

GIVEN at Three Rivers, this sixth day of September, Nineteen Hundred and Nineteen.

The Treasurer of the City of Three Rivers
ARTHUR NOBERT

MAKE YOUR HOLIDAY GREAT LAKES CRUISE

The Grand Trunk lake and rail routs between Eastern and Western Canada, embracing a wonderful cruise over those inland seas, Lakes Huron and Superior, is an ideal summer trip whether you are on business or pleasure bent. The finest of ships, the "Noronic," "Hamonic" and "Huronic" are in this service and the Northern Navigation Company holds the highest of reputation for the excellence of the cuisine, luxury of appointments and facilities for recreation on these leviathans. Sarnia is the connecting point between the Grand Trunk Railway System and the Northern Navigation fleet, special steamboat train being operated on sailing dates from Toronto, Hamilton, Brantford, Woodstock, London and the other points to shipside. Sailings from Sarnia are on Mondays, Wednesdays and Saturdays. After evening dinner there is dancing in the big Observation Room under the chaperonage of the Social Hostess. Morning finds the steamship passing from Lake Huron through the fairyland of the St. Mary's River to Sault Ste. Marie where gigantic locks lift the liner to the level of Lake Superior. Next morning it is Thunder Bay and Canada's twin cities, Port Arthur and Fort William, that are in view after the majesty of Lake Superior, and the steamship sails for Duluth, the city built upon a mountain side and the Western terminal of the lake route. Railway connections are made at Port Arthur, Fort William and Duluth for Winnipeg, where the trains of the Grand Trunk Pacific are ready to carry you to all points in Western Canada. For full information, fares, etc., apply to any Grand Trunk Ticket Agent, or C. E. Horning, D.P.A., Toronto, Ont.

GOVERNMENT STORES

WASHINGTON. — Retail stores will be opened by the War Department September 25, to sell direct to the consumer both over the counter and by mail, commodities held as army surplus, it was announced today.

Huge quantities of socks, underwear, shirts, raincoats, blankets, gloves, tobacco, soap and other articles will be sold at the stores.

Stores will be opened at Boston, New York, Philadelphia, Atlanta, Jeffersonville, Ind., Chicago, St. Louis, New Orleans, San Antonio, Omaha, El Paso, San Francisco and Washington, zone supply cities and also in other large cities throughout the country.

CANADA CEMENT COMPANY, LIMITED

NOTICE TO BONDHOLDERS

NOTICE is hereby given that The Royal Trust Company, as Trustee, is prepared to receive tenders up to the 30th September, 1919, from the holders of 6% First Mortgage Gold Bonds of the Canada Cement Company, Limited, of Bonds to be purchased on account of the Sinking Fund as an investment for the sum of $229,657.20.

The lowest or any tender not necessarily accepted.

All tenders should be addressed to

THE ROYAL TRUST COMPANY,
Trustee, Montreal.

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL

Authorized Capital - - - $2,000,000.00
Subscribed Capital - - - 1,000,000.00
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General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary — W. H. HUNTER, President — S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

CONSERVATION OF LIFE INSURANCE

Life insurance is of supreme value in these uncertain times. Life insurance should not only be jealously guarded and kept in full force, but it should be increased if at all possible. It is a well known fact that the dollar has greatly diminished in value so that a given income will not purchase much more than one-half the amount that it would have yielded in pre-war days. Not only, therefore, should we resist every inducement to relinquish our insurance, we should rather increase our protection to the limit of our ability. Ther is nothing else to be compared with a life insurance policy as a protection for the home. During the policyholder's life it is an asset of ever increasing value: at death it is the financial anchor of one's dependents. Do not allow your "best friend" to induce you to give up a policy in a sound company. Take a new policy if you can, but never give up the old!

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Co.

SECURITY
Paid-up Capital $2,412,578.81
Reserves 964,459.39
Assets 7,086,695.54

HEAD OFFICE, WINNIPEG
B ches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,468,523,08

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED

TORONTO: 20 KING ST. W. — Lyon & Knowland, Agents

DO NOT DELAY

While your mind is alert and active is the time to make your Will. Do not wait until you think you are going to die. Consider now how your Estate will be distributed and managed. Confidential discussion of this matter is invited without obligation or charge.

MONTREAL TRUST COMPANY
Sir Herbert S. Holt, President — A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: 61 YONGE STREET
J. F. HOBKIRK, MANAGER

REAL ESTATE AND INSURANCE

HIGH FIRE LOSS LEADS TO HIGHER INSURANCE RATES

Towns in Niagara District Suffer Because of Poor Fire-fighting Facilities

INCENDIARY FIRES

Three of Them With Loss of Twenty-Five Thousand Dollars Occurred in Welland in August

Fire insurance rates for the town of Welland, and several other places in the Niagara district, have been increased an additional 15 per cent. by the insurance underwriters as a result of the laxity shown by town and county officials in fighting fires in the district. This increase follows a similar increase of 15 per cent. that went into effect a year ago when the local authorities failed to heed the warnings of the insurance companies to provide better fire fighting equipment. Welland county had the largest per capita fire loss of any county in Ontario last year, and bids fair to hold that doubtful honor again this year. To the end of August there were 165 fires in Welland county, with a total loss of $986,554. Deducting the $800,000 loss attributed to the Port Colborne grain elevator explosion, the total loss is $186,554, or nearly $5.50 per capita for eight months only. The per capita fire loss for Ontario last year for twelve months was about $3.50

In August there were three fires out of thirty that were known to be incendiary, and seven persons are facing penal servitude for their alleged connection with them. Two persons have already been sentenced to three years in prison, for setting fires that netted them each a fee of $25. The loss from incendiary fires was $26,520 in August in the county.

The reason for the increase in rates has not been so much the prevalence of incendiarism, but the lack of efficiency in fighting fires. In Welland, for instance, there was one fire where the fireman had not water to work with, two others where the hydrants were frozen, and a fourth where no alarm was sounded. The town is now arranging to build an adequate firehall and provide it with modern equipment. At Thorold there is a hose wagon, provided by the town, but there is no team to haul it. When an alarm is sounded, the volunteer firemen count upon commandeering the first available team of horses to transport their apparatus to the scene of the fire. How inefficient this scheme is is shown by the fact that in July a large factory within one block of the firehall caught fire, but the hose wagon did not commence operations for forty-five minutes, because there was no team around to take it to the fire. In another town the driver of the town fire team is also a taxi-driver. Similar conditions are said to prevail throughout the district.

The fire loss of the County of Welland for the first eight months of the year is shown in the following table:

	Fire	Loss
January	15	$ 13,019
February	27	46,297
March	22	34,184
April	17	14,829
May	9	6,549
June	15	13,090
July	28	22,965
August	32	835,600
Total, 8 months	165	$986,554
Deducting Pt. Colborne Explosion	164	$186,554

FIGHT OVER INSURANCE

Accident Companies Not Convinced That They Should Pay $100,000

There promises to be a strong fight between the estate of John Lennox, of Hamilton, and the accident insurance companies who held policies taken out by him. Lennox's body was found in Hamilton Bay a few days ago, after the man had been missing for 133 days since April 23 last. The deceased held $140,000 in life insurance, which was promptly paid when the body was found, but the accident insurance companies are not convinced that Mr. Lennox died from accidentally falling into the water. They believed that he suffered an apoplectic stroke while out boating and that this was sufficient to cause his death before the body fell into the water.

The coroner's jury will proceed with the case.

Within 55 minutes of the time he purchased a lot of 34 foot frontage at 36 Ouelette Avenue, Windsor, for $70,000, Paul Eberwein was offered and refused $80,000 for the same property. The value of the land is estimated at $1,650 a foot.

LOW MORTALITY RATE EXPECTED THIS YEAR

Despite Influx of "Flu" Claims in Early Months of Year, Rate Decreases

Life insurance companies in Canada are looking for the lowest mortality rate this year that they have had since before the war. Despite the fact that the early part of the year saw the majority of the "flu" claims coming in, the mortality rate for the year to date has been 30 or 40 per cent. less than in the year previous. This is the most encouraging feature in the insurance field today, and the one that will have the most effect on the annual reports of the companies. There has been a tremendous increase in the amount of new business written up by all the companies, but new business seldom adds to the profit and loss account, not at least in the year in which it is written up. The claim is made, in fact, that there is a momentary loss to the companies on every new policy written up. The initial premium does not pay the cost of writing up the prospect, and the company depends entirely on later premiums for its income.

The war claims have practically all been paid, and there is only an occasional one outstanding. How the balance sheets will benefit by the cessation of war claims can be shown by the statement of one large company that they paid $1,750,000 on war claims alone in 1918, in addition to the extra $1,000,000 loss incurred by the influenza epidemic. This company estimates that it will take them at least five years to fully recover from the effect of the war. The company in question is an old-established one, and could not have been affected as much in proportion to the total amount of insurance carried as the younger companies, which carried a larger percentage of young men of military age on their books.

Generally speaking, life insurance companies are not worrying about a serious recurrence of the "flu," although it is reported from Ottawa that there is a mild outbreak in that city. They think that the public is better prepared to cope with another epidemic, and that it could make little headway.

Nor do they expect another war, as is evidenced by the fact that every company had discarded the "naval and military service" clause from their policies. "No war that could break out now or in the future could hit the companies as hard as this last one did," said one insurance official.

FULL INSURANCE FOR AUTO ALLOWED

Theft and Wrecking of Car Resulted in Interesting Suit For $1,200

An interesting action on a claim for insurance for an automobile that was stolen and wrecked was decided this week in the Superior Court, Montreal, by Mr. Justice Mercier. The National Ben Franklyn Insurance Company was sued by Raphel Ouimet for $1,200, which he alleged was due on his insurance policy, to recompense him for the loss of his car on Sept. 4, 1917.

The company admitted the existence of the policy, but denied that the automobile had been stolen, or if it had, that the theft was committed by an employee of plaintiff. This latter fact, it was claimed, would relieve the company of any liability.

When the case was tried it was established that one Desrosiers had offered to clean the machine for plaintiff, who accepted, and gave the man the key of the garage. Instead of cleaning the car the latter took it out for a "joy ride," and wrecked it at Pointe Aux Trembles. Desrosiers afterwards pleaded guilty to stealing the car and was sentenced to serve two years in the penitentiary. The judge found for the plaintiff, awarding him the $1,200 and the costs of the action. In his judgment he says:

"The fact that plaintiff consented, in good faith, to allow Desrosiers to clean his automobile did not make the man an employee of the plaintiff in the sense of the law, and it did not relieve the company defendant from their liability under the policy. The act of Desrosiers was covered by that policy just as if the automobile had been stolen by one who broke into the garage deliberately for that purpose. The only difference was that Desrosiers stole the auto by subterfuge and fraud, when he was in the employ of Dr. Dupont, and not a servant of the plaintiff."

British Columbia agency of the North American Life Assurance Company sent in the largest amount of business for August, says the company's bulletin. J. W. Hudson, of British Columbia, and T. H. Griffin, of Halifax, were the leading agents.

INSURE VETERANS AND TAX PUBLIC FOR EXTRA COST

Companies Outline Scheme For Providing Protection For Disabled

MEN NOT APPLYING

Reason Returned Men Prove Good Risks Because Disabled Ones Have Not Been Applying For Insurance

Providing life insurance for returned men who have been disabled in the service of the country is still a live topic in insurance circles, and the companies have not given up hope of finding a solution of the problem. All are agreed that some means must be found to provide insurance for the returned man, but the opinion is just as unanimous that the companies cannot depart from a strictly actuarial basis in insuring the veterans without injuring the position of their other policy holders and stock holders.

It was pointed out in THE FINANCIAL POST last week that many of the companies have found the returned men very good risks, and that one large company in particular had not found it necessary to refuse a single returned soldier who had applied for insurance. Other insurance men, however, feel that this does not prove anything. "The average returned soldier who has been disabled has not applied for insurance, because he knows he would be turned down and that is why the companies have found their returned soldier applicants such good risks," said one actuary to THE POST, adding that he thought these men should be provided with opportunities of getting insured, whether they were applying to the companies now or not. "Providing these men with the means of protecting their wives and families should be just as important a part of the Government's program of reconstruction as pensions or gratuities," said the actuary.

Two Plans Offered

One suggestion is that the Government should take over the veterans' insurance, and pay their death claims out of the public treasury, without charging any premium whatever. Another suggestion that meets with much favor among insurance men is that the companies should insure the veterans at the ordinary rates for a physically sound person, without subjecting them to a medical examination. At the end of each year each company's payments on this class of insurance would be totalled, and the difference between the total amount paid and the amount that actuarial tables would show ought to have been paid, would be made up by the Government. In turn, any company that had claims under the actuarial average would have to return to the Government the amount of their profit. This scheme would involve a great deal of work for an ordinary profit for the companies, but they are willing to follow it out from a patriotic standpoint.

Of course, insurance under either of these schemes could not be given indiscriminately to all returned soldiers. The men would first be asked to try to insure the regular way, and only after being turned down as medically unfit would they come under the arrangements as outlined. The advantages of such a plan would be manifold; it would provide insurance for the man whose expectation of life has been shortened by his service overseas, it would protect the regular policy holders and share holders of insurance companies from depreciation in the value of their policies and investments, and it would assess the people of Canada for the cost of the insurance, in the same manner as they are taxed for pensions, gratuities and similar payments to the returned men.

ANNEXING AT GODERICH

Town Takes Option on 900 Acres of Land Nearby

The town of Goderich has taken an option on 900 acres of land on the present outskirts of the town, and steps are being taken to annex it. A by-law has been prepared for submission to the ratepayers and permission for the transfer is being asked of the Ontario, Railway and Municipal Board. $60,000 has been paid on the options. The annexation is the result of the addition to the town's industries of the newly formed Lake Huron Steel Corporation.

The C.P.R. is said to be planning a change in its route into the town, and surveyors of the line are at work deciding on the best route.

CANADIAN ORDER OF CHOSEN FRIENDS

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

J. L. Davidson, Grand Councillor. — W. F. Montague, Grand Recorder
W. F. Campbell, Grand Organizer. — J. H. Bell, M. D., Grand Medical Ex.
HAMILTON - ONTARIO

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Assets over - $4,000,000.00
Losses paid since organization, over - $45,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes. Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.

Assets over - $7,000,000.00
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TEXEND BRACES
Finer than the imported
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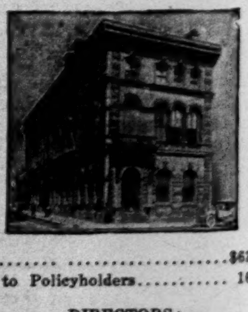
The London Mutual Fire Insurance Company

ESTABLISHED 1859



Assets $639,691.53
Surplus to Policyholders 164,317.87

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HEAD OFFICE, 33 SCOTT STREET, TORONTO.

TORONTO MARKET FOR VACANT LAND GETTING BETTER

Value Increase in Well-Placed Lots—Outlying "Subs" Dormant

WHERE VALUES ARE UP

What is the Fate of the High Restrictions Placed on Land That is Now Greatly Reduced in Value?

Holders of vacant land in Toronto, who have been paying taxes and interest on their property for the past five years, hoping some day to realize on their investments, are finding that the market for well-located building lots has been showing improvement of late. With the increased building activity that came this spring the demand for improved building lots quickened and it is probable that the further building activity that will come when labor conditions are more settled and building supplies are more easily obtained, will lead to a still further rise in values. This applies only to close-in improved properties, however. The man who "invested" his money in the boom years in outlying sub-divisions that had little but high restrictions and euphonious names to their credit may as well give up hope of realizing on his investment, although in some places improved transportation facilities would help greatly.

Danforth Avenue, Kingston Road, St. Clair Avenue, Lake Shore Road and parts of North Yonge Street are the districts that are showing appreciation of value. On Danforth Avenue, the opening up of the Bloor street viaduct, giving rapid transportation from the centre of the city to Little York, six miles out, has led to a great deal of building activity, largely in the workingmen's homes. Monarch Park, is typical of the Danforth Avenue sub-divisions and in that district building lots have risen from $20 a foot in 1913 to $30 a foot at present. Kingston Road has reflected the activity of Danforth Avenue, but there are still many Kingston Road sub-divisions that are dormant and where the lots are still far below the 1912-1914 values. Earlscourt and other St. Clair avenue districts, that are not suffering from high restrictions are also showing some activity at present. North of High Park, in West Toronto, the Bloor street car-line extension has brought many new residents and property values have shown a general increase.

Lake Shore Active

The district that seems to have grown in favor more than any other in the past few years is not in the city limits. It is the Lake Shore Road, between Mimico and New Toronto. Properties that were subdivided in 1913 and sold at $18 and $20 a ft. are now bringing $30 and $35 a foot. There have been several reasons for this boom in Lake Shore property. The opening up of the Toronto-Hamilton highway showed that Mimico Beach was as close to the centre of the city as Scarboro Beach or North Toronto. The new Goodyear plant also brought several hundred workingmen to New Toronto.

In a great many of the sub-division properties the situation is by no means as encouraging to the man who is holding land as an investment. The experience of the Lawrence Park estate is typical. This subdivision on North Yonge street, was sold five years ago at $40, $50 and $60 a foot. All local improvements, including sewers, pavements, and sidewalks were put in by the sub-divisions and high restrictions were placed on the property. This spring the land was auctioned off at disappointing prices. One reason was the lack of good transportation facilities, restrictions so high as to keep workingmen off the property, and, of course, the war.

The position of some of the other more important sub-divisions can be briefly stated:

Some Sub-Divisions

Glengrove Annex; on Bathurst street, two miles north of the city. Property sold in 1913 at $40 a foot and up. Now valued at about $3 a foot for farming purposes. Highly restricted, but the only building on the entire forty acres is a farmhouse that was there before the property was sub-divided.

Armour Heights; beautifully laid out and highly restricted. Marketed around $50 a foot. Not built on now, nor is there any probability of even the territory between the sub-division and the city being built on for some years.

Riverdale Courts; north of Todmorden. This was one of the wildest of all the schemes. The land was two miles from the nearest car-line, and north of Todmorden and was sold at

Continued on page 16.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Sept. 19 In stocks listed on both Exchanges prices quoted are those of the market in which a stock — the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Div. 1916	Div. 1917	Div. 1918	Last Dividend Date 1919	Rate	Yield to Sept 11	BANKS	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	Close Sept. 19 1918 Ask	Bid	Close Sept. 17 Ask	Bid	Week ending Sept. 17 High	Low	Close	Sales
4,866,666	3,017,333	428,844	13 70	7	8					British North America	112	110	112	112	165	112												
15,000,000	15,000,000	1,444,842	19 00	10+2	10+2	10+2	2nd Sept.	3	6.03	Commerce	203	183	188	182½	202	183¾	215	Jan. 9	198⅛	Aug. 22	185⅛	185	199		199⅛	199	199	106
6,000,000	7,000,000	446,503	18 10	12	12	12	1st July	q. 3	5.82	Dominion	220	204	212½	202	209⅛	199	219	Jan. 20	199¾	June 26	202		206	205	205¾	205¾	205¾	29
3,000,000	3,500,000	85,114	19 03	12	12	12	2nd Sept.	q. 3	6.41	Hamilton	197	246¾	192	184	188⅛	184	209	Jan. 15	[illegible]	May 27				187	187¾	187	187⅛	51
4,000,000	3,800,000	62,959	14 87	9	9	9	2nd Sept.	q. 2¼	5.69	Hochelaga	149	145	145	140	143	140	160	July 26	147	Jan. 13								
7,000,000	7,500,000	865,459	17 81	12	12	12	1st Aug.	q. 3	6 00	Imperial	203	180	200⅛	185	202½	185	210	Jan 20	196	July 24	185		200	199	200	199	200	33
947,705	400,000	158,248	12 26	5	5	5	2nd Sept.	q. 1⅛	6 32	Home Bank																		
7,000,000	7,000,000	574,043	19 75	10	10	10+1	1st Aug.	q. 2¾	5.64	Merchants	180	150	170	167	180	169	202⅛	Apr. 25	180	Jan. 2			194⅛		195	194⅛	194⅛	141
4,000 000	4,800,000	248,029	17 80	11	11	11	1st July	q. 3	6 18	Molsons	195	182	186	179⅛	179⅞	179⅜	200	Jan. 17	179⅛	Jan. 3								
16,000 000	16,000,000	1,901,613	16 01	10+2	10+2	10+2	2nd Sept.	q. 3	5 63	Montreal	240½	219	234	210	218⅛	210	225	Apr 24	210	Mar. 20			211	210	211	210	210	24
2,000,000	2 200,000	48,699	26 67	8	9	9	1st Aug.	q. 2¼	5.6[illegible]	Nationale	134	134	149	134	148	148												
6,500,000	12,000,000	749,694	21 70	14	14	14	1st July	q. 4	5.79	Nova Scotia	261	254	257½	248½	251⅛	248	278	July 25	255	Jan. 4				275	276	271	271	8
4,000,000	4,750,000	199 855	16 12	12	12	12	1st May	q. 2	5.76	Ottawa	204	202	202	200	206	201	208	Feb. 1	203	Jan. 4								
14,000,000	15,000.00	535,757	20 06	12	12	12	2nd Sept	q. 3	5 60	Royal	221¼	210	214	208	215	205	217	Aug. 12	205	Feb. 17	208			214⅜	215	214	214	103
3,500,000	4 500.00	227,326	19 91	13	13	13	1st Aug.	q. 3¼	6.04	Standard	221	211¼	215	200	208⅜	200	217	July 15	204⅜	Apr. 25			215⅛		215⅛	215⅛	215¼	10
1,223,341	460,000	240,909	17 50	6	6	6	15th Aug.	q. 1½	6.59	Sterling																		
5,000,000	6,000,000	625,6	16 90	11	11	11	2nd Sept.	q. 3	6.15	Toronto	215⅛	190	192	187⅛	193⅛	184⅓	205	Feb. 4	193	Jan. 6			196	195	196	195	195	4
5,000,000	3,600,000	126,298	15 48	8+1	8+1	9	2nd Sept.	q. 2½	6.17	Union	140	132	142	135	162	137	171	Jan. 7	157¼	Feb. 20		154⅛		168	162⅛	160	162⅛	26

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	1918 Ask	Bid	Sept. 17 Ask	Bid	Week High	Low	Close	Sales
27,450,000	8,483,500	52,083,991							Barcelona, T. L. and P.	17	19	17	8	15¼	8¾	13¼	Jan 10	8⅛	Aug. 21	12	11⅛	11	10⅛	11⅛	10⅛	10⅛	1,675
106,417,800		7,500,000	5,190,986	1		1st Mar. 17	q. 1		Brazilian Traction L. and P.	62⅝	43	47¾	31¾	40	32	61	July 10	50	Feb. 4	44	43⅜	51	50⅛	53⅛	50⅛	51	6,604
	10,000,000			6	6	1st July	q. 1½		Brazilian Traction, Pref.																		
12,000,000		6,684,206	5,009,630			16th June	q. 1	7.27	Canada Steamships Lines, Com.	45	16	45⅝	29¾	51	39¼	55⅛	Sept. 11	41⅛	Feb. 2	47	46¼	62⅛	62	63¼	55⅝	61¾	10,044
	12,500,000			19.83	7	1st July	q. 1¾	8.33	" " " Pref	95½	89¾	93¾	71	80	72⅛	87½	June 2	77	Feb. 13	76¾	76	84⅛		84⅛	83⅛	84¾	2,539
260,000,000	90,681,921	271,934,882	233,999,716	10	10	1st July	q. 2½	5.90	Canadian Pacific Railway	182½	163¾	167⅛	127¾	185	137¾	175	July 16	160	Jan. 9								
15,000,000		35,851,500	7,807,827	7¾	8	2nd Sept.	q. 2	8.00	Detroit United	128⅛	69	128	104¾			110	May 13	94	May 10			100	99¾	100	99⅛	99⅞	525
3,500,000	1,500,000	3,500,000	576,002	2	3	2nd Jan.	s. 1	7 14	Duluth Superior Traction Co., Com.	49	37	51	40	42	41	32	Apr. 16	28	Feb. 21					28⅛	28	28⅛	8
12,331,000		4 562,000	1,060,346	3					Illinois Traction, Com.																		
	7,289,500			6	6	1st July	q. 1½	8.00	Illinois Traction, Preferred	91	87¾	89	79	80	80	80	Feb. 1	75	Aug. 25								
20,000,000		16,381 333				1st Nov. '13	q. 1¼		Mexico Tramways Co																		
25,206,800	12,603,400	87,264,900	20,488,0 4	7	7	15th Oct.	s. 3½		Minn., St. P. and S.S.M., com																		
3,403,330		35,608,153	1,152 457	10		2nd July	q. 2½	8.69	Montreal Tramways			181	144	150	150	114¾	June 4										
9,000,000	4 465,500	14,075,000	2,428 908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction																		
3,000,000		3,885,666	253,813			1st Oct. '14	p. 1		Porto Rico Railways Co., Com.	49½	30	42	30	37	25¼	35	Feb. 8	24	Sept. 9								
	1,000,000			7	7	1st July	q. 1¾	8.75	" " " " Pref.	30		80	80														
9,999,500		10,797,000	753,091			15th Jan. '12	q. 1 p		Quebec Railway L., Heat & P. Co.	45	14	35⅛	14¾	22½	15	22	Mar. 8	16⅛	Feb. 19	19	18	18	17⅛	18	17⅛	18	245
12,000,000		2,730,253	6,675,017	8	4	2nd Jan.	q 1		Toronto Railway	111	72	90½	58⅛	63	58	55	Jan. 4	39	June 14			41	40	40	39⅛	40	70
22,000,000	3,000,000	20,238,000	1,180,078	6	1	2nd Jan.	q 1		Twin City, common	101	93⅜	95	53	65½	39⅛	58	June 4	39	Jan. 2					45	44	44	118
9,000,000		10,130,000	1,502,068			1st Jan. '16	q. 2¼		Winnipeg Electric	110	90	81	36	48	48	49	Mar. 3	35	Jan. 16								

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	1918 Ask	Bid	Sept. 17 Ask	Bid	Week High	Low	Close	Sales
18,000,000		11,149,000	2,286,556	8	8	15th July	q. 2	6.72	Bell Telephone	152	140	150	129	132⅛	128	133	May 19	114	June 7	130		120		120	120	120	51
5,360,700				10	10	1st July	q. 2½	6.75	Consumers Gas	176	160	165½	147	153	144⅓	152	Feb. 14	147½	June 17	148	146	146		148	145⅛	145⅛	55
1,900,000		2,999,813	141,438						Calgary Power																		
41,380,400			1,924,151	1⅛	6	1st July	q. 1⅛	7.77	Mackay, common	69¼	64½	90	70¾	79¾	72⅛	82	May 12	71⅛	Jan. 23	77	76	79	78⅛	79¾	77⅛	79¾	168
	50,000,000			4	4	1st July	q. 1	6.15	" preferred	15	15	68	59	65⅜	56⅛	68	June 6	64¼	Jan 28		64	65⅛	65	66¾	64¾	66¾	111
13,585,000	6,000,000	21,073,833				30th Dec. '13th.	q. 1		Mexican Light and Power Co., com					20	18	18	June 6										
64,126,100			2,608,204	4	4	15th Aug.	q. 1¼	5.49	Montreal L., H. and Power Cons			82⅞	67⅛	88⅛	68¼	95	July 24	84⅛	Feb. [illegible]	86	85⅞	92	91⅛	91¾	91⅛	91¾	818
3,490,120		1,275,000	884,525	6	6	1st July	q. 1½	7.40	Ottawa, Light, Heat and Power Co.	95¼	92	92	69¾	86	69	82¾	June 10	75	Jan. 18		83						
16,342,500		9 789,261	3 039 957	7	7	10th July	q. 1¾	5.78	Shawinigan Water and Power Co.	137	126¾	130½	107	118½	105	127½	May 8	114⅛	Jan. 13	116⅛	116			122	121⅛	122	358

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1917	1918	Last Dividend Date	Rate	Yield	Company	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	1918 Ask	Bid	Sept. 17 Ask	Bid	Week High	Low	Close	Sales
5,000,000	1,000,000	5,768,200	1,073,249	7	7	1st July	1¾	8.23	Abitibi Power and Paper, com			58⅛	48	51⅛	48	90	Sept. 11	48	Jan. 3				95	93	90	93	764
6,594,300	7,904,200		1,743,234						Amer. Cyanamid, com.			30	19	35⅞	21	47	July 8	38	July 7								
3,500,000		1,562,666	507,408						Ames Holden McCready Co., com	35	19⅛	23⅛	12	28	15	59	Sept. 11	26	Jan. 3				65	65	57	57	3,721
	2,500,000					2nd July	q. 1¾	6.79	" " pref.	80⅛	52	61	47	72½	47	105¼	Sept. 2	65⅜	Jan. 2				105⅛	105⅜	102⅞	105⅛	4,039
4,266 200				4	5	21st Feb.	q. 1¼	7.93	British Col. Fish, com			56	35	51⅛	41	66	July 18	46	Mar. 15	50			61	62⅛	61⅛	62	130
7,000,000	2,000,000	1,452,000	607,100	5	5	7th Aug.	1¼	7.69	Brompton Pulp and Paper, com			59	38	63¼	41¾	66	July 18	55	Apr 30	60	59⅞	62	61⅛	64	61⅛	61⅛	2,539
750,000			721,391	6	6	1st July	q. 2	8.16	F. N. Burt Company, com	88	72	82	65	75	63⅛	98	Sept. 4	71	Jan. 13			99¾	97	98	97	98	29
	1,975,200			7	7	1st July	q. 1¾	7.21	" " " pref.	96	86	93⅛	86	90	77¾	98	Sept. 8	90	Jan. 22			99	97	98	98	98	5
2,500,000		3,750,000	103,418	2		2nd Jan. '17	2		Canada Bread, com	30	16½	20	13	24⅛	16	23⅛	Jan. 11	18	Feb. 11			21⅛	21	22½	20	22	796
	1,250,000			7	7	1st July	q. 1¾	8.75	" " pref.	90	87	86½	80	83¾	83¼	85	Jan. 18	80	July 16			80	79	80	78¾	79	164
13,500,000		6,839,046	4,082,643	6	6	16th July	q. 1½	8.57	Canada Cement, com	73	37¾	69⅞	52	69¾	56½	71½	July 28	63	Feb. 6	68⅛	68	70	69⅛	70	69	69	315
	10,500,000			7	7	16th Aug.	q. 1¾	7.00	" " pref	9	86	95¾	90	96	90	102	July 25	95	Jan. 2	94⅛	94		100	101	100	100½	294
4,975,000		5,222,593	5,830,171			2nd June '14	s. 2		Canadian Car and Foundry, com	75	32	46½	17	38¼	18	47½	June 28	28	Jan. 2	36	34	43¾	43	43⅛	39	43⅛	1,561
	7,500,000				3½	10th July	q. 1¾	7.07	" " " pref.	94	1¾	89	49	91	49⅛	100	July 25	82	Jan. 23	85⅛	84⅛	102	101⅛	101½	99⅛	101½	773
1,733,500		399,000	443,879	3	4⅛	15th Aug.	q. 1¼	7.57	Canadian Converters	46	34	43	39	50	43	67	July 24	45	Feb. 6	48	47	67		67⅛	67	67	235
2,715,500		4,626,000	2,518,893	4	6	4th July	q. 1½	6.81	Canadian Cottons, Limited com.	65	39	56	46½	70	48½	95	July 17	67	Feb. 20	69	65	92		93	89	92	1,066
	3,661,500			6	6	4th July	q. 1½	7.22	Canadian Cottons, Limited, pref	82⅛	75⅛	82	75	77	71	87¾	Apr. 22	76	Jan. 10	76							
1,600,000	1,500,000		1,762,537	9	6	15th Jan.	s. 3		Canadian Fairbanks-Morse, pref.																		
964,000		179,200	1 [illegible]97,[illegible]06	12+3	12	15th Aug.	q. 3	6.18	Canadian Foundries & Forgings, co	217	170	205	150	213	150	208	July. 9	183	Sept. 5	207¾		197		200	197	197	135
	960,000			7	7	15th Aug.	q. 1¾	7.21	" " pref	90	85	84	82	97	90	89⅛	Feb. 13										
2,000,000		1,500,000	1,657,324	3	6	1st July	q. 1½	7.14	Canadian Locomotive Co., com	64½	51	64	52⅛	69⅛	58	85¼	July 15	60	Feb. 20	66	65¼			85¼	84¾	85	280
	1,500,000			7	7	1st July	q. 1¾	7.00	" " " pref.	99	81	91⅛	83	90½	83	95	July 7	89½	Apr. 8								
2,805,500		9,500,000	5,700,795			15th Oct. '14			Can. Consolidated Rubber, com	91	84	99¾	90	100	98	250	July 9										
	3,000,000			7	7	30th June	q. 1¾	7.00	" " pref.	97	91	99⅛	95	98	97	100	July 11	97	Feb. 7								
8,000,000			5,122,776	8	8	1st July	q. 2	7.40	Canadian General Electric, com	121	108	115½	99⅛	106	99⅛	116	May 9	101⅛	Mar. 18	101⅛	101	107	105	107½	105	107⅛	31
	2,000,000			7	7	1st Apr.	s. 3½	6.36	" " " pref.	112	110	106	94½	110	100												
1,200,000		465 500	573,116						Carriage Factories, Limited, com.	44	29¾	25	9¼	17	15	16	Aug. 13	13	June 6								
	1,200,800					15th July '15	q. 1¾	10.00	" " " pref.	75	60																
565,000		55,114	159,507			1st Oct. '16	q. 2		City Dairy, com	98	89	30	30	50	30	62½	May 27	43	Jan. 23								
	700,000				5¼	1st July	q. 1¾	7.52	" " pref.	100½	92	70	60	87	60	94⅛	June 13	84	Feb. 18								
6,500,000			3,025,307	9⅛+2	8	15th Aug.	q. 2	7.76	Dominion Bridge Co.	231½	160	170	125	128	123	123	Jan. 13	94	Aug. 28	127	[illegible]	103	102	103⅛	102	102	245
2,796,300		1,729,410	1,472,[illegible]21			1st Apr. '14	q.		Dominion Canners, com	22	15	26	19	43	40	59	July 9	34	Mar. 14	38		[illegible]		56	50½	53⅛	3,351
	2,290,600			7	1¼+7	1st July	q. 1¾	7.69	" " pref.	65	61½	78	65	81	65	92	June 6	76	Jan. 10	73							
37,097,700	7,000,000	20,830,097	19,459,251	4½	5¼	1st July	q. 1½	8.82	Dominion Steel Corporation, com	82	43	71¼	50¾	65	53	73	July 12	58¾	Feb. 3	[illegible]	62	68⅞	68½	70¾	67⅛	69⅞	14,667
	5,000,000	13,641,526		7	7	1st July	q. 1¾	7.07	Dominion Iron and Steel, pref.	105	90	95	87⅛	98	88	100	May 16	93⅛	Jan. 2		97		97¾	98	97	97¾	9
15,000,000	3,000,000	6,016,500		7	7	1st Aug.	q. 1¾	7.14	Dominion Coal, pref	99	93	96½	85	95	94¼	100	June 11	95	May 2				98	98	98	98	20
5,000,000		3,267,500	3,349,083	7	7½	1st July	q. 2	6 72	Dominion Textile, com.	90½	74⅛	89	76⅛	100⅛	80¾	125⅞	July 16	100	Feb. 5	96	95⅝	121		124	119⅛	120⅛	1,163
	1,940,600			7	7	15th July	q. 1¾	6.66	" " pref	105	101	105	99½	102	100	108	Mar. 14	101	Jan. 15		101			106	106	106	70
2,250,500		1,100,000	685,115						Goodwins, Limited, com	40	40			15	11	27	July 21	10	Feb. 5				25	26	26	26	25
	1,750,000					2nd July '14	q. 1¾		" " pref.	75	40	45	45	45	45	75	July 17	45	Jan. 11								
747,500		210,000	1,260,366	6	6	2nd July	q. 1½	6.00	Goulds Manufacturing Co., com.			100	100	100	100												
	747,500			7	7	2nd July	q. 1¾	7.00	" " pref			100	100	100	100												
6,267,005	500,000		1,009,017	10	10	2nd June	50c		International Petroleum			15.30	11.60	20.50	13.00	32.25	May 14	19.25	Jan. 8								
40,000,000		8,294,000	57,721						Lake Superior Corporation			24	10														
2,100,000		900,000	978,797	8	15	1st Sept.	q. 3	5.94	Lake of Woods Milling Co., com	136¾	122	130	120	169	120⅛	205	Aug. 20	157	Mar. 26		150			200	200	200	1
	1,500,000			7	7	1st Sept.	q. 1¾	6 60	" " " pref.	129	116	116	116	110	100	106½	Jan. 16	106	Jan. 17								
9,600,000		620,615	2,425,548	10	10	2nd July	q. 3+3	5.38	Laurentide Co.	217⅛	176	195	152	198	152	228	June 23	192	Jan. 10	177	175	224	222¼	224	222	223⅛	725
1,750,000	1,300,000	988,400	402,001	2	8	10th July	2	9.63	Lyall Construction Co., com	93	25	80	53	85⅛	63	83⅛	July 23	64	Apr. 2			84	83½	83⅛	83	83⅛	130
3,000,000	1,766,800		422,906			30th June '13			A. Macdonald Co. com.	19⅛	10	15⅛	8	23	13⅛	36	July 4	21⅛	Jan. 10	19⅛	18⅛	33⅛	33⅜	34	32⅛	33⅜	1,600
2,500,000			2,318,545	22½	10+14	18th July	q. 3	6.06	Maple Leaf Milling, com	122	100	115	90	140	91	200	Sept. 3	121½	Jan. 30	125	122	197	195	197	197	197	25
	2,500,000			7	7	18th July	q. 1¾	6.66	" " " pref.	108	93	103	91¾	98⅛	91⅛	107	June 23	96⅛	Jan. 8	98		106⅛	105⅞	106⅛	106⅛	106⅛	42
2,949,600				4	4	14th June	q. 1	5.63	Montreal Cottons, Ltd., com.	63	50	58⅛	49	61	50	72½	Apr. 8	58⅜	Jan. 9	58½	57			70	70	70	50
	2,949,600			7	7	14th June	q. 1¾	6 86	" " " pref.	115	99	103	99	100	99½	103	Mar. 15	100	Jan. 17	100	99½						
1,275,000			671,905		4	1st Nov. '13	q. 1½		Monarch Knitting Co., com	40	25⅛	40	30	46	39	60	Mar. 12	50	Jan. 28								
	750,000			7	7	1st Aug.	q. 1¾	7.77	" " pref	83	80	81	80	80½	75	92	June 13	78	Jan. 6								
2,000,000			527,504						National Steel Car, com			21	5	10⅛	5	16	Feb. 27	5	Jan. 16			10	9	11	6⅜	9¼	453
	1,500,000					15th Jan	q. 1¾		" " " pref			78	17	40	20	59	Mar. 19	18	Jan. 14	40	37	46	44½	48	35	46	449
15,000,000		11,169,619	4,616,584	5+20	5	15th July	q. 1¼	6.66	Nova Scotia Steel, com	154⅛	93¼	128	66	71⅛	63⅛	97	June 2	48	Mar 5	68	66⅛						
	1,000,000			8	8	15th July	q. 2	7.54	" " " pref.	115	110	112	105	103	100	112½	July 4	104½	Mar. 21								
2,500,000		2,350,000	3,830,592	10⅛15	12+15	1st July	q. 3	4.70	Ogilvie Flour, com.	152	127⅞	158	137	205	140	260	June 4	194	Mar. 11		187		259	259	256	259	80
	2,000,000			7	7	1st Sept	q. 1¾	6.36	" " pref.	116	44⅛	115	107	111	100	110	Feb. 8	106	Jan. 13								
750,000		561,300	281,729						Ont. Steel Products, com	45	19	34	18	35	22⅛	36¾	June 30	27	Apr. 28	33	32	35⅛	35	35	32⅛	35	175
	750,000			7+1¼	7+1¾	15th Aug.	q. 3⅛		" " " pref	91⅛	73	74	74	28	73	81	July 30	75	May 19								
650,000			29,654	2	2	1st July	s. 1	6.25	Pacific-Burt Co., com	29	20	40	28	34	34	32	Aug. 18	25	May 22								
	650,000			7	7	1st July	q. 1¾	8.75	" " pref.	83¼	77⅛	82	79	77¼	77¼	80	June 5	75	Mar 8								
600,000			1,010,427	8+5	8+4	15th Sept.	4+2	7.75	Paton Manufacturing Co.			130	124	124	124												
2,150,600		2,000,000	3,350,167	4+1	5½+2	15th Aug.	q. 1½	6.25	Penmans, Limited, com	78	60	73⅛	64	84	65	98½	July 21	77½	Jan. 4	81⅛	81	99⅛	99	99⅛	97	99⅛	206
	1,075,000			6	6	1st Aug.	q. 1½	6.38	" " pref	90	82	86	81⅛	85¼	81½	95	Aug. 11	82¾	Feb. 5								
5,000,000		5,651 484	2,874224	6	8+2	1st July	2	3.80	Price Bros	132	60⅛	134	115	151	120	210	Sept. 9	150	Jan. 10					225	225	225	25
4,500,000		2,033,500	1,851,813	6+4	10	15th Aug.	q. 2½	6.99	Riordon Pulp and Paper, com	150	59	127	106	123	117¼	145	July 17	117¼	Jan. 2	117¼		142⅜	141	144	142	142⅛	850
	1,000,000			7	7	30th Jun	q. 1¾	7.36	" " " pref.			95	90	97	92½	100	June 6	94	Jan. 4	94⅞				96	96	96	205
1,500,000		502,000	428,647	1⅛		1st Apr. '17	q. 1½		William A. Rogers, Ltd., com	99	85	80	40			60	Aug. 29	25⅛	Mar. 28				60	60	60	60	63
	1,122,800			7			q. 1¾		" " " pref.	99	87	92	90			85	July 30	65	Mar. 13				85	85	85	85	7
800,000			536,162	7	7	1st Aug.	q. 1¾	8.75	Russell Motor Car, com	114	32	92	50	90⅞	55	87	July 16	68	Feb. 19		85						
	1,200,000			29¾	7	1st Aug.	q. 1¾	8.13	" " " pref.	139	66	122	72	91⅛	68¼	94⅛	May 15	70	Jan. 10	90	85	90	87	88	87	88	50
1,500,000		529,300	310,114						Sawyer-Massey Co., com	30	20	24	8	13	10	22	July 11	8	Apr. 17								
	1,500,000					2nd June '14	q. 1¾		" " pref.	134½	58	41	40	40	40	62¼	July 14	30	Apr. 11								
4,000,000		1,838,500	2,333,282						Sherwin-Williams, com	99½	53⅛	60	56	60	60	76	Sept. [illegible]	60	Jan 3					70	72	72	10
	3,425,000			7	7	31st June	q. 1¾	7.21	" " pref	100	97½	100	98	100	99	102	June 23	97½	Aug. 27					100⅛	100⅛	100¾	5
8,750,000			395,100	6+2	8	1st July	q. 2	5.97	Shredded Wheat, com.	140⅛	102¼	137¾	112	112	100	135	Apr. 15	124	Mar. 15								
	1,250,000			6	6	1st July	q. 1½	6.66	" " pref	120	95	95	95	92	87	90	Apr. 22	99	Jan. 13								
1,062,500		288,000	205,765	4	2				Smith Paper Mills, Com			74⅛	66	66	65	100	Sept. 8	65	Feb. 27	66	65			95	92	92	175
	475,000			7	7	15th July	q. 1¾	7.52	" " " Pref					80	73¼	95	June 25	78	Feb. 28					93	93	93	110
8,000,000		10,332,113	2,368,222						Spanish River Pulp Mills, com	24¼	3½	19	12⅛	20	12¾	49½	Sept 10	17	Jan. 14			49	48⅜	49⅛	44¾	48⅞	3,350
	5,699,100					15th July '13	q. 1¾		" " " pref.	70	29	59¼	47	64¾	50	112	Sept. 10	63⅛	Jan. 23			114	113⅛	115	111⅛	113⅛	2,035
11,500,000		8,931,246	15,019,130	6	4	1st Aug.	q. 1½	8.82	Steel Co. of Canada, com	88¼	34¼	71½	47½	74¼	49¾	76	July 4	57½	Feb. 1	72	71¼	70	68	70¾	68⅛	69	2,750
	6,496,300			7	7	1st Aug.	q. 1¾	7.14	" " " pref.	107¼	82½	100½	84½	98	84	100¾	May 26	91½	Mar. 28	97	96½	195		99½	98¾	98⅛	207
1,250,000	3,602 700	1,066,945	311,577			1st June '14	3½		Standard Chemtnal, pfd					62	62¼												
1,200,000		167,155	251,154		5¾+4	1st Aug.	1½	5.45	St. Lawrence Flour, com					97¾	50	113¼	July 7	87½	Mar. 12			111	110	111	106½	111	486
	575,000				7	1st Aug.	1¾	7.60	" " " pref			56	49	85	80	97	June 2	80	Feb 8								
650,000			149,379						Tooke Bros., com	25	16	19	19	30	15	48	July 15	20	Mar 11			47¼		47⅛	45	47⅛	597
	985,000			8¾	3⅛	13th Sept.	q. 1¾	8.23	" " pref.	83	78	79	70	77	72¼	88	July 8	70	Feb. 4			87		87½	87	87	205
750,000		461,100	302,984	6+4	6+3	2nd July	s. 3+1	7.67	Toronto Paper Co.	96	44	90	72	72⅜	65	78	Sept. 11	68	Mar. 6			79⅛	79	79⅛	77	79⅛	135
2,500,000			462,046						Tuckett Tobacco, com	25	23½	22½	17	24¼	18⅛	48¼	July 29	22	Jan. 17		21	43⅛		46	44	45¼	615
	2,000,000			7	7	15th July	q. 1¾	7.77	" " pref.	90	75	83½	78	82½	72¾	91	July 21	80	Jan 4			91	90	90	90	90	33
1,750,000		901,090	580,347		5⅛	2nd July	1½	5.94	Wabasso Cotton					61	21	102	July 30	58	Jan. 2			105	103	104	100	104	162
5,000,000		3,395,000	908,060						Wayagamack com			97	50	55	50	68	Sept. 11	46	June 2	50			63¾	70½	63	63⅜	5,320
1,718,600		449,000	1 091,439	7	7+5	2nd Sept.	q. 1¾	7.36	Woods Manufacturing Co., Ltd. com.	65	33	61	44	98	57¼	102	May 16	86¼	Jan. 13	86¼		99⅛		98⅛	98⅛	98⅛	60
	1,546,500			7	7	1st July	q. 1¾	8.13	" " pref	101	84	86	80	86	83½	90	Mar. 17	83¼	July 3								

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Deposits Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1918	Last Dividend Date	Per cent.	LOAN AND TRUST	Range 1917 High	Low	Range 1918 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	3,847,080	1,337,989	9	1st July	q. 2¼	Canada Landed	160	150	148¾	140	143		140
6,000,000	19,626 287	5,672,509	10	1st July	q. 2½	Canada Permanent	173	162⅛	169½	162⅛	174¼		174½
1,750,000	4,968,206	1,842,074	10	1st July	q. 2½	Central Canada					190		
20,000	2 981,290	427,213	6	1st July	s. 3	Col. Investment, pref.	77	63	69	63		75	75
934,876	1,032,651	271,556	5	2nd July	s. 2½	Dominion Savings			76	75		82	75
2,412,566	2,221,508	1,022,338		1st July	Def.	Great West Per.							89½
1,200,000	2,091,322	1,228,840	8	2nd July	s. 4½	Hamilton Provident	142	137	133	121		146	
2,500,000	12,299,412	3,323,337	12	1st July	q. 1⅛	Huron and Erie	211	205	204	203			
1,000,000	1,597,848	886,732	8	2nd July	s. 4	Landed Banking	143	143	141	140		140	141
1,250,000	2,653,710	924,981	8	1st July	q. 2	London and Can. Loan	132	128⅛	126⅛	126⅛	123	118	120
887,849	1,664,356	362,385	6+1	1st July	q. 1¾	London Loan and Sav.							
600,000	317,808	764,494	10+1	15th Sept.	q. 2½	Montreal L. & Mtg. Co.	165	162½	152				153⅛
1,500,000	7,892,179	1,662,183	10	1st July	q. 2½+1	National Trust	212	207⅛				200	200
1,750,000	3,749 473	2,093,943	9	1st July	s. 2¼	Ont. Loan and Deb.	175	175				157	157
900,000	614 943	266,434	7	2nd July	s. 3½	Real Estate Loan					100		100
1,500,000	34,589,757	2,152,812	10+1	1st July	q. 2½+1	Toronto Gen. Trusts	215	200	204	199¾		215	220
724,550	1,773,183	659,449	8	1st July	q. 2	Toronto Mortgage Co.	140	136	134			139	133
1,000,000	1,912,673	1,134,604	10	1st July	q. 2½	Toronto Savings							185
1,000,000	11,157,301	494,065	7	1st July	q. 2	Union Trust							178
1,000,000	49,964,580	[7 483,662	15	1st July	q. 2½	Canada Life Assurance							190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1918	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range 1917 High	Low	Range 1918 High	Low	Latest Price Ask	Bid
3,000,000		1,265,591		15th July	1¼	Asbestos Corporation, com.	21	12	45	15	74	73
	7,000,000		5¼	15th July	1½	" " pref	58	42	62¾	44⅓	85	
1,500,000		1,987,697	8	1st Apr.	s. 4	Canadian N. Prairie Lands						
800,000	380,000	523,572	8	1st July	q. 2	Canadian Salt	136	128	132	126	142	
59,109		2,298,978	$5	23rd Dec.	$5	Can North-West Land						
100,000	11,234,281	1,969,045	20	30th June	q. 5	Confederation Life A.	330	330			375	
6,212,666		443,964	4½	2nd Sept.	q. 1½	Crows Nest Pass Coal	70	50	55	50		57
1,000,000		290,978	6	15th July	q. 1½	Dominion Telegraph	89	76½				86
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 7,072,085	1,991,255	10	1st July	q. 2½	Imperial Life Assur.						
501,900	3 78,900	843,103	7	1st July	s. 3½	Intercolonial Coal, pref.					80	
3,000,000		133,458	3	1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,197,569	1,922,500	739,197	8	15th Aug.	q. 2	Kaministiquia Power			120	120	112	
637,480	b 561,000	104,871		2nd July '17	s. 3	London Street						
2,000,000		121,228	8+10cts	15th July	q. 2	Montreal Telegraph	138	115	120	120		120
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1 164,000	d 720,000	325,374		10th July '15	q. 1¾	Trinidad Electric						
2,340,100	b1,439,926	858,434	8+2	15th Sept.	q. 2+2	W. Can. Flour Mills						
800,000	b 600,000	667,008	5	1st July	q. 1¼	West India Electric	77	77				

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; B—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 26th, 1912; Feb. 1st and Nov. 17th, 1913, December 1, 1914.

THE SPANISH RIVER PULP AND PAPER MILLS, Limited

ANNUAL REPORT, 1919

DIRECTORS

GEO. H. MEAD, President; P. B. WILSON, Vice-President; T. GIBSON, Vice-President; C. E. READ, T. WATSON SIME, G. R. GRAY, T. H. WATSON, J. G. GIBSON, Secretary.

Toronto, Ontario, 25th August, 1919.

To the Shareholders of
The Spanish River Pulp and Paper Mills, Limited.

Your Directors submit the following report of the operations of The Spanish River Pulp and Paper Mills, Limited, including the Lake Superior Paper Company, Limited, for the year ending 30th June, 1919.

Summary of Income Account:—

Total Net Revenue for the Year	$2,757,964
Less Reserved for Depreciation	501,068
	$2,256,896
Less Interest on Funded Debts and Other Loans	799,975
Total Net Surplus for the Year	$1,456,921
Less Appropriation for Contingencies and Government Taxes	160,000
	$1,296,921
Balance of the Consolidated Profit and Loss Account as at 30th June, 1918	$1,071,301
Leaving to be carried forward	$2,368,222

The completion of construction work and proper balancing of the plants as referred to in the Report of last year has given the first annual opportunity to the Company for demonstrating its earning ability. The result of the past twelve months' operation, while showing substantial increase over the previous year, does not, however, in the opinion of your Directors, yet represent an adequate return upon the very valuable resources of the Company or the large amount of capital invested.

The year's available water supply was particularly good and the Company consequently had a large production of Groundwood. With the exception of Sulphite (the market for which has been somewhat limited in recent months) the output of all products of the Company has nearly approximated capacity.

As there were no Sinking Fund requirements during the past fiscal year, the Company, having paid no dividends upon its Capital Stock, has been able to materially reduce its bank indebtedness and, therefore, finds itself in a strong cash position.

Your Directors have determined that it is in the best interests of all security holders to pay the Deferred Interest on Bonds and Notes due in 1922, and redeem the Second Mortgage Debentures, due in 1924. To provide the necessary funds they have arranged the sale of $3,500,000 new 6% Serial Mortgage Lien Ten Year Notes, part of an authorized issue of $5,000,000.

Because of the increasing demands of regular customers of the Company, the installation of two additional paper machines at Espanola with a capacity of 100 tons per day, has become necessary. It is proposed to pay for this installation out of the proceeds of the sale of the $3,500,000 of Notes and the earnings of the ensuing year.

Approval by the Stock Holders of the $5,000,000 Note Issue, as well as the sale of the above mentioned portion of the Notes, is being asked at a General Meeting which has been called for the same date as the Annual Meeting.

In anticipation of the payment of Deferred Interest and Second Mortgage Debentures, a call has been issued by the Directors as of August 1st, upon the Talons and Notes representing the Deferred Interest, and a call will be made upon September 1st, for the Second Mortgage Debentures. In each case six months' notice must be given to Holders, therefore payment will be made on February 1st, and March 1st, 1920, respectively.

With the foregoing obligations disposed of, the Company will be free to consider the payment of dividends upon its Preferred Stock and your Directors propose in the near future to submit for consideration a plan for funding accumulated dividends thereon.

In January last the Company suffered a great loss in the death of Mr. B. Tooke, of Montreal. Mr. Tooke had been a member of the Board for several years as the nominee of the Bond Holders of the Ontario Pulp & Paper Company, Limited, and during the time he was associated with the Company rendered yeoman service, taking at all times a keen interest in its affairs. At a recent meeting of the Ontario Bond Holders Mr. George R. Gray was nominated to fill the vacancy on the Board, and was subsequently duly elected.

Owing to the interregnum caused by Mr. Tooke's death and the absence in England of two of the Directors on war service, it seemed desirable to temporarily appoint another Director in Canada, and upon Sir William Stavert resigning, the vacancy was filled by the appointment of Mr. J. G. Gibson to the Board.

The Directors have particular pleasure on the conclusion of peace in thanking those of the organization who took part in the war and welcoming them back to their duties. They also wish to thank those who carried on at home for the increased effort put forth, which has contributed so materially to the success of the year's operations.

By Order of the Board,

GEO. H. MEAD,
President.

CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 1919

ASSETS.

Property Account—			
As at 30th June, 1918		$23,827,059.01	
Net Additions during year		306,498.95	
			$24,133,557.96
Current Assets—			
Pulpwood		3,407,074.86	
Woods Operations—Equipment, Stores, etc.		384,764.64	
Mill Stores		1,138,482.93	
Mill Products		492,120.87	
Accounts Receivable, less Doubtful Debts		1,301,012.33	
Victory Bonds (1933)		91,650.00	
Cash in Banks and on hand		516,011.96	
			7,331,117.59
Securities Purchased for Sinking Fund			84,460.94
Insurance Premiums and Payments in Advance			53,968.41
Total Assets			$31,603,104.90

LIABILITIES

Capital Stock:			
Authorized—Common		$10,000,000.00	
Preferred 7% Cumulative		10,000,000.00	
		$20,000,000.00	
Issued—Common		$ 8,000,000.00	
Preferred 7% Cumulative		5,699,100.00	
			$13,699,100.00
First Mortgage 6% Bonds—			
The Spanish River Pulp & Paper Mills, Ltd.:			
Authorized and Issued	$2,500,000.00		
Less: Redeemable to Date	172,986.60		
		$ 2,327,013.40	
Ontario Pulp & Paper Co., Ltd.:			
Authorized and Issued	$1,500,000.00		
Less: Redeemed to Date	100,900.00		
		1,399,100.00	
Lake Superior Paper Co., Ltd.:			
Authorized and Issued		5,000,000.00	
			8,726,113.40
Second Mortgage 6% Debentures, £330,000			1,606,000.00
Deferred Interest on Bonds and Notes			1,463,071.92
Specific Mortgages			110,000.00
Current Liabilities—			
Loans from Banks		$500,000.00	
Accounts and Bills Payable		793,330.53	
Accrued Interest on Bonds and Debentures		243,903.40	
			1,537,233.93
Miscellaneous and Contingent Reserves			764,342.99
Depreciation Reserves			1,329,019.94
Profit and Loss Account—			
Consolidated Credit as at 30th June, 1918		$ 1,071,301.35	
Add Net Profit for the Year		1,296,921.37	
			2,368,222.72
Contingent Liabilities	$157,600.00		
Total Liabilities			$31,603,104.90

Note.—The Spanish River Pulp & Paper Mills, Ltd., guarantees the principal and interest of the bonds of the Lake Superior Paper Co., Ltd., and the Ontario Pulp & Paper Co., Ltd., and owns the whole of the Preferred and Common Stock of the Lake Superior Paper Company, Ltd. Dividends on $3,000,000 of Preferred Stock are cumulative from 1st July, 1913, for which Vouchers (to be exchanged for Dividend Warrants) have been issued. The Dividends on the balance are cumulative from 1st July, 1914. Bondholders are entitled to 10% of divisable profits.

We have audited the books and accounts of The Spanish River Pulp and Paper Mills, Limited, and of its subsidiary, the Lake Superior Paper Company, Limited, for the year ending 30th June, 1919, and certify that the above Consolidated Balance Sheet is properly drawn up and shows a true and correct view of the state of the combined Companies' affairs and the result of the operations for the year as shown by the books and according to the best of our knowledge and the explanations given us.

All our requirements as Auditors have been complied with.

PRICE, WATERHOUSE & COMPANY,
Chartered Accountants.

25th August, 1919.

DEMANDS OF LABOR AND PROBLEMS OF CAPITAL ARE BETTER UNDERSTOOD AS RESULT OF INDUSTRIAL CONFERENCE

Workers Had the Eloquence and Employers the Facts

Continued from page 1

Capital typified resistance. Labor said: "How much can we get?" Capital pondered: "How far can we afford to go?" And if the resistance of capital to the demand, for instance, for a 44-hour week was strong, it must be borne in mind that that, in the words of one of the labor representatives, was "not an ideal, but a compromise." And when Mr. Tom Moore, president of the Trades and Labor Congress, and chief labor representative, exclaimed heartily, "Hear, hear," those present were reminded that he himself, in a speech at Toronto not long ago spoke of a 36-hour week as about right. Capital, recognizing the necessity of production, sees the hours of labor heading towards an impossible minimum, with overtime, the handmaiden of the "shorter working day," reaching an impossible maximum. Capital believes, and not without justification, that the ideal of the vast majority of working men is to cut the length of the "straight" working day as short as possible in order that more overtime, with its enhanced rates, may be secured. The plea of certain of the speakers among the labor representatives that, with the present working hours, there is no time left to the workingman for "improvement," is sufficiently refuted by figures which the Minister of Labor introduced for the purpose of showing that the shorter day already obtains in large measure in Canada. Forty-seven per cent. of the working men of Canada already work eight hours or less.

The Farmer's Status

This question of the reduction of the hours of labor—a constant scaling down of the length of the "straight" work-day, then, is the big point—at least the big controversial point—of the convention. As stated above, it obtains so commonly that employers must, on the whole, be far from making much fight against it, but the object of labor is to have it made a statutory matter for the whole of Canada. I think the final quietus was put on this in a brief and moderate speech by Hon. Charles A. Dunning, Minister of Agriculture, and in charge of labor matters in the Government of Saskatchewan. He desired to have made plain the status of the farmer, who was in a sense both a capitalist and a laborer, and who represented probably the largest industrial element in the population of Canada, under a statutory standardization of the hours of labor. "It seems to me," said Hon. Mr. Dunning, "as a farmer of very long experience, that until it is possible for you to legislate to control the sun and the winds and the clouds and the rain, it is impracticable for you to legislate to effectively control the hours and the distribution of labor in agriculture."

It seems scarcely probable that agricultural labor, even if omitted from the operation and benefits of any possible 8-hour or other day which might be made law, would long rest content under this exclusion, or that organized labor could refuse to support the extension of the principle to them. As was also pointed out by Mr. Dunning, if working conditions are to be made still more attractive in the cities by shorter hours, the difficulty of getting men for farm work would be almost insuperable. The consideration of possibilities of this sort struck the members of the conference very forcibly. This was the difficulty mentioned in correspondence last week as likely to make some of the planks in the labor platform of the Liberal party, based on the recommendations of the League of Nations, very unacceptable to the farmers. What has been said with reference to the farmers is also true in large measure with regard to other industries such as lumbering, milling and fishing.

Eloquence vs. Facts

What would strike the impartial observer of the proceedings was that the right side of the assembly seemed to have almost a monopoly of the eloquence. There was scarcely a man among the many who spoke for labor but could present his arguments in wellchosen and grammatical language, and without a trace of diffidence; there were some who were speakers of a very high order, while the speaker with perhaps the most distinct enunciation, the most clear-headed manner of thinking, and the most fluency in the whole assemblage was a tailoress of Vancouver—Miss Gutteridge. She is an Englishwoman—and here it might be noted that the great proportion of the representatives of labor present were not Canadian-born. In fact, very few were. Perhaps the other ninety per cent. of labor in Canada, which was not represented at the convention, belong largely to that class. I mentioned to a representative of the manufacturers this striking fact that the speaking ability was so largely confined to the other side. "Naturally," he replied. "They spend most of their leisure time at it, and practice makes perfect. We have been too busy trying to raise the payroll to have had much time for practising oratory."

I think it would be fair to say, however, that if the position of the labor representatives were represented with words, the so-called capitalists had almost a monopoly of the facts and statistics given to the assembly. Labor argued from what it had been able to force on capital in the past in Canada and other countries; capital presented the statistical position of the different industries, produced evidence to show what had followed the introduction of the minimum hour day in other countries, and the present position of industry in Canada. And labor listened with smiling tolerance.

Threats Were Few

Only in a few cases was the note of intolerance struck, and it was mainly in the case of some more or less notorious labor delegates such as James Winning, one of the leaders of the Winnipeg disturbance. There were threats of what would happen if the 44-hour week did not come; but mainly labor seemed to have a supreme confidence in its strength to secure its desires.

On the whole the conference should do good. It will be an expensive matter. With about two hundred delegates, with an expense allowance of $10 a day each, and an average of about ten days from the time they leave home until they return, the "indemnity" will run into a matter of close on to $25,000; but it will have been well spent if labor and capital can be brought to see each other's problems face to face, and to learn the necessity of give and take, and of increased production to help meet Canada's enormous commitments and debts.—T.M.F.

Labor Delegates Were Better Organized at the Opening

Continued from page 1

lic may pass on the proceedings of the conference, they must admit that there is more than one side to the case, and that, in the national interest, the industrial problem must be viewed from the standpoint of all the parties to industry.

The pressing necessity of greater production, especially at this critical time of transition, was one of the chief points emphasized by speakers on the employers' side, in the hours of labor debate, and in other aspects as well. They doubted the wisdom of immediate experiments with many of the changes proposed by labor and suggested that a consideration of them at a later period, when conditions had become more normal would be advisable. They also thought that Canada should not tie her hands now, preceding attention to similar problems in the United States at President Wilson's conference next month.

Labor and Production

Labor's reply to the last point was that the argument of delay was always being advanced, but that the present was the only time worth dealing with. As for greater production, Labor emphasized the need for what they called a humanitarian, rather than a commercial outlook, and contended that increased production itself would be accomplished if the workers were made more contented and efficient by the granting of their demands.

For the first day or two of the conference, there was a feeling of strain and a tendency on the part of certain speakers on both sides to be provocative, almost belligerent, in the presentation of their case. As the days wore on everyone seemed to grow more at home and more urbane, and the latter half of the week was marked by frank talk, but also by considerable humor and constant good nature.

LINEN IN ONTARIO

Should in Time Become a Leading Industry All Over Canada

A United States Consular report referring to Ontario's leadership in the development of a self-contained linen industry says:

'There seems little reason why flax production and spinning, with the complementary industry of linen weaving, should not become one of Canada's important industries.

"With the installation of modern web-spinning machinery completed, a firm at Guelph, Ontario, is now turning out web-spun linen yarns from flax grown in that province. A flax spinning mill, operating in conjunction with the linen mill, makes this industry a self-contained one, able to turn out linen fabrics, including the finer grades, from raw flax to finished goods. During the war the plant was running on cotton and union goods, because of the difficulty of getting linen yarn; but with a steady supply of Canadian spun-linen yarns now assured, it is turning out a full line of all the finer linen goods, as well as the coarse towellings, butchers' linen, etc.

"The development of flax spinning will have a stimulating effect on the growing of flax by Ontario farmers. Ontario flax has in the past been found acceptable by Irish linen manufacturers in the production of the famous Irish linens. A newly invented Canadian machine to harvest the flax, which, for purposes of spinning, must be pulled, not cut, is expected to reduce labor costs greatly."

SHIPBUILDING NOW ON A BETTER BASIS

Late Quotation From Vickers Only About 10 Per Cent. Above British Costs

By Resident Representative.

OTTAWA. — The Government is pushing on with its shipbuilding programme, and the tendency seems to be towards an improvement in the prices. They have now before them for consideration the construction of four more two-deck poop-bridge and forecastle ships of twelve knots and 8,400 tons each, and the price quoted is the most favorable yet received, being about $170 per ton. The quotation is from Vickers of Montreal.

There is now only about 10 per cent. difference between the quotations from Vickers and the most of building in Great Britain for standard ships, with the advantage that our standard is higher than theirs for similar ships, quotations received from the Old Country being about $166 per ton. Taking into consideration the fact that wages at Vickers in Montreal have gone up about 11 per cent., and the hours reduced about 6 per cent., showing a nominal loss in production of from 3 to 6 per cent., it would appear that the Canadian builders are getting their work down pretty fine.

Australia has a very ambitious shipbuilding plan under way, and appears to be building very low, but reports are somewhat conflicting. According to official figures furnished our Canadian Department of Marine, the prices there in May ranged from $140 to $165 per ton. Since the beginning of the war the Australian Government has spent over $50,000,000 on their commercial fleet. The programme includes fourteen steel vessels, shelter deck type, 331 feet B.P., 48 feet wide by 33 feet 7 inches deep, moulded to shelter deck, from 5,500 to 6,000 tons deadweight. They are about the same as the Canadian 5,000-ton boats. The cost of these figures out at about $141 per ton. Costs of later ships seem to have been considerably higher, but the Government there is going on with its shipbuilding operations regardless of criticism, of which there seems to have been a good deal there as there has been in Canada of our Government programme.

There are no figures available as to the exact rates paid men engaged in shipbuilding in Australia, but the presumption is that they are considerably lower than here, although they seem to have been considerably since the estimate of $140 per ton for the construction as above mentioned was made. Their platers, for example, average about fifty dollars per week, while ours are said to average nearly double that sum. The price fixed with the Sydney steel producers under the revised contract was $2.65 per hundred for plates, but the latest quotation is $2.50, so that construction costs will thus be further favorably affected.—T.M.F.

TORONTO MARKET FOR VACANT LAND GETTING BETTER

Continued from page 15.

as high as $100 a foot. It was restricted to $5,000 and $10,000 homes, but is now a dead letter.

It would be interesting to know the fate of many of the restrictions that were placed on these high-class residential sub-divisions. One sub-division fronting on Bathurst street and probably two miles from the nearest car-line was restricted to $10,000 homes. Now the property has little value. If some of the present owners were to sell to a man who intended to build could the new owner be restricted to a $10,000 home, and if so, who could restrict him? THE FINANCIAL POST put the question to several real estate dealers. Several of them stated outright that they thought the so-called restrictions placed on properties by real estate men were not worth the space they occupied in the deed and that the owner of a lot could do as he pleased with it so long as he obeyed city restrictions. Other real estate dealers told THE POST that they understood the restrictions were legal and were enforced by the City Architects' Department. This view is erroneous, however, as restrictions of the city by-laws apply only to the purpose for which a building is erected and its classification as brick or frame and not to value or size.

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By order of the Board.

JAMES WILSON,
Secretary.

Montreal, September 16th, 1919.

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